



Daily Report

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General

Statement Protests Ties Between Latvia, Taiwan

OW3101151392 Beijing XINHUA in English
1455 GMT 31 Jan 92

[Text] Beijing, January 31 (XINHUA)—China today lodged a strong protest against Latvia who signed on January 29 the so-called joint statement on the establishment of consular relations with Taiwan, according to a Foreign Ministry spokesman.

Apart from that, the Latvian side has recently been engaged in a series of official contacts with Taiwan.

Following is the statement made by the spokesman on authorization:

As is known to all, the government of the People's Republic of China is the sole legal government representing the entire China, and Taiwan is an inalienable part of China's territory. We are categorically opposed to the establishment and development of any form of official relations and official contacts with Taiwan by those countries having diplomatic relations with China. By the above-mentioned moves, Latvia has gone back on the commitment it had explicitly made in the joint communique on the establishment of diplomatic relations between China and Latvia, and seriously undermined the relations between the two countries and the friendship between the two peoples. The Chinese side hereby lodges a strong protest against this.

In disregard of the overall interests of the Chinese nation, the Taiwan authorities have been obstinately practising their so-called "elastic diplomacy" by economic and trade means, and have deliberately tried to create the so-called "dual-recognition" which in essence is to create "two Chinas" or "one China, one Taiwan". This runs counter to the position of "one China only" which the Taiwan authorities have expressed.

The Chinese Government hereby reaffirms that it is resolutely against any attempt or act aimed at creating "two Chinas", "one China, one Taiwan," "one country, two governments" or "dual recognition". This position of China's will not change.

We hope that the Latvian side will, setting store by the overall interests of maintaining the relations between the two countries and the friendship between the two peoples, reverse its wrong doings on the question of Taiwan, so as to enable a normal development of the ties between China and Latvia.

UN Security Council Summit Opens in New York

UK Premier Terms Session 'Unique'

OW3101182292 Beijing XINHUA in English
1736 GMT 31 Jan 92

[Text] United Nations, January 31 (XINHUA)—The U.N. Security Council opened its one-day summit at the

U.N. headquarters in New York this morning to discuss the responsibility of the council in the maintenance of international peace and security in the new international situation.

The summit, the first ever in the 47-year history of the United Nations, is chaired by British Prime Minister John Major, whose country proposed the meeting in its capacity as the president of the Security Council for this month.

In his opening statement at the meeting, Major described the summit as "unique."

"We are meeting at a time of momentous change.... now we face new challenges. To set a new course in tackling them it is right that we should meet for the first time at the level of heads of state and government," he said.

He stressed that the presence of the heads of state and government or their representatives "marks a turning point in the world and at the United Nations."

He called on the summit participants to reaffirm their attachment to the principle of collective security and to the resolution of disputes in accordance with the principles of the U.N. charter. "We should send a clear signal that it is through the U.N. and its security council that we intend to deal with threats to international peace and security."

He also urged them to consider anew the means by which collective security is upheld through the United Nations and consider how best to update and develop them, including preventive action to avert crises, peace-making to restore peace by diplomatic means and peace-keeping to reduce tensions.

He called "vital" the role of the secretary-general in all of these.

Major asked for "reinforced measures" of arms control to uphold international peace and security, saying activity to restrain the accumulation and transfer of arms, prevent the proliferation of weapons of mass destruction, affects all U.N. members.

Attending the summit are Chinese Premier Li Peng, French President Francois Mitterrand, Russian President Boris Yeltsin, U.S. President George Bush, heads of state or government from Austria, Belgium, Cape Verde, Ecuador, India, Japan, Morocco and Venezuela and foreign ministers of Hungary and Zimbabwe.

Security is tight for the meeting with several blocks of the street in front of the U.N. building blocked to traffic and the second floor of the general assembly building and the conference building declared off-limits to the press and people without special passes.

Even diplomats of the permanent missions to the United Nations, who at other times enjoy free access to the security council chamber, where the meeting is held,

have to fight for a seat in the chamber, although for reasons of limited space instead of security.

At the summit, the leaders and U.N. Secretary-General Boutros Boutros-Ghali are each to make a 15-minute speech and will have a break for a luncheon to be hosted by the secretary-general.

The meeting will end in the afternoon with a presidential statement, which will cover the United Nations' role in dealing with threats to international peace and security under the new international situation, in peace-making and peace-keeping and in disarmament.

Presidential Statement Approved

OW3101224092 Beijing XINHUA in English
2231 GMT 31 Jan 92

[Text] United Nations, January 31 (XINHUA)—After a full day's intense work, the heads of state and government of the member states of the U.N. Security Council officially authorized the president of the summit, British Prime Minister John Major, to issue a presidential statement.

The 3,000-word statement says that the member states of the security council agree that the world now has the best chance of achieving international peace and security since the foundation of the United Nations. They undertake to work in close cooperation with other United Nations member states in their own efforts to achieve this, as well as to address urgently all the other problems, in particular, those of economic and social development, requiring the collective response of the international community.

The statement says that the security council member states recognize that peace and prosperity are indivisible and that lasting peace and stability require effective international cooperation for the eradication of poverty and the promotion of a better life for all the people in the world.

The statement is arranged in four parts, namely, a time of change, commitment to collective security, peace-making and peace-keeping, and disarmament, arms control and weapons of mass destruction.

The participants of the summit also discussed the current international situation. They believe that the meeting takes place at a time of momentous change. The members of the U.N. Security Council also recognize that change, however welcome, has brought new risks for stability and security.

The international community therefore faces new challenges in the search for peace, the statement says. All member states expect the United Nations to play a central role at this crucial stage. The members of the council stress the importance of strengthening and

improving the United Nations to increase its effectiveness. They are determined to assume fully their responsibilities within the United Nations organization in the framework of the U.N. Charter.

On the commitment to collective security, the members of the council pledge their commitment to international law and to the United Nations charter. All disputes between states should be peacefully resolved in accordance with the provisions of the charter.

The heads of state and government also discussed peace-making and peace-keeping. In this regard they decided to invite the secretary-general to prepare, for circulation to the members of the United Nations by 1 July 1992, his analysis and recommendations on ways of strengthening and making more efficient within the framework and provisions of the charter the capacity of the United Nations for preventive diplomacy, for peacemaking and for peacekeeping.

On disarmament, arms control and weapons of mass destruction, the members of the council, while fully conscious of the responsibilities of other organs of the United Nations in the fields of disarmament, arms control and non-proliferation, reaffirm the crucial contribution which progress in these areas can make to the maintenance of international peace and security. They express their commitment to take concrete steps to enhance the effectiveness of the United Nations in these areas.

On nuclear proliferation, they note the importance of the decision of many countries to adhere to the non-proliferation treaty.

On chemical weapons, they support the efforts of the Geneva conference with a view to reaching agreement on the conclusion, by the end of 1992, of a universal convention to prohibit chemical weapons.

In conclusion, the members of the Security Council affirm their determination to build on the initiative of their meeting in order to secure positive advances in promoting international peace and security. They agree that the United Nations secretary-general has a crucial role to play and they pledge their full support to him, and undertake to work closely with him and his staff in fulfilment of their shared objectives, including a more efficient and effective United Nations system.

Li Peng Addresses Meeting

CM0302121692 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 3 Feb 92 pp 1, 4

["Full Text" of speech by Premier Li Peng at UN Security Council summit in New York on 31 January]

[Text] United Nations, Jan 31 (XINHUA)—Mr. President, Mr. Secretary-General, Your Excellencies:

For the first time in the 47-year history of the United Nations, the Security Council meets here today at the

level of heads of state or government of its member states. I am very glad to have this opportunity to attend this meeting as the representative of the People's Republic of China and, together with my colleagues from other countries, to discuss major international issues including, in particular, ways to give support to a greater UN role in maintaining peace and promoting development throughout the world, and to exchange views on other issues of common interest. I wish to avail myself of this opportunity to thank the Right Honourable John Major, the prime minister of the United Kingdom, for his initiative for holding this meeting. I would also like to express once again our warmest congratulations to Dr. Butrus Butrus Ghali on his assumption of the office of the U.N. Secretary-General.

Today, the world is at a vital turning point. The old structure has come to an end, while a new one has yet to take shape. The world is moving toward multipolarity. World peace, national stability, and economic development are the common aspirations shared by people everywhere. The tense face-off between the two major military blocs in Europe, which lasted for nearly half a century, is no longer in place. Some regional hot-spots have either been, or are in the process of being, removed, and, overall, the international situation has eased to some extent. Factors threatening world peace and causing international tension have not been removed completely, however. While some old contradictions and confrontations have disappeared, new ones have cropped up, rendering our world neither tranquil nor peaceful. The Middle East question remains unresolved following the Gulf war, and the peace talks between the Arab countries and Israel are likely to be a long and difficult process. In some European countries, conflicts of differing intensities or even wars have broken out due to ethnic strife. No one can say for sure that similar conflicts and wars will not take place in other parts of Europe. The international community should pay close attention to the fact that the developing countries, whose population constitutes the overwhelming majority of the world's total, are finding themselves in an increasingly difficult position. The gap between the North and the South continues to widen, with the rich countries becoming richer and the poor poorer. Such a state of affairs, if allowed to continue, will eventually lead to fresh disturbances or even new regional conflicts. The stark realities show that the questions of peace and development, the two principal themes of the present-day world, have yet to be solved.

In contrast to a turbulent Europe, the Asia-Pacific region enjoys relative stability. The signing of the Paris agreements have laid the foundation for the final settlement of the Cambodian conflict. Following their simultaneous participation in the United Nations, the North and South of Korea have signed the protocol on mutual non-aggression and the joint declaration on the denuclearization of the Korean peninsula. The situation on the peninsula is moving towards relaxation and stability. Quite a few countries in the Asia-Pacific region have

enjoyed a rather high economic growth rate thanks to political stability at home. This region has now become a dynamic and promising region in world economic development. A stable and economically prosperous China not only is in the fundamental interests of the Chinese people, but also constitutes an important factor making for peace and stability in the Asia-Pacific region and the world as a whole. Over the past decade or more, China has firmly implemented the policy of reform and opening to the outside world initiated by Comrade Deng Xiaoping, which has brought enormous changes to the country. Right now, China enjoys political stability, social tranquillity, ethnic harmony and a sustained economic growth. With full confidence, the Chinese people are advancing on the road of building socialism with Chinese characteristics. As a developing country with a huge population, China knows full well that its modernization will take a considerably long period of time. The attainment of this goal requires two indispensable conditions, namely, an environment of prolonged peace and stability internationally and prolonged political stability at home. China is pursuing an independent foreign policy of peace, and it has always maintained that differences in social system, ideology, cultural tradition and religious belief should not be an obstacle to establishing and developing normal relations between states. China is ready to develop friendly relations with all countries on the basis of the Five Principles of Peaceful Coexistence. It will never become a threat to any country or any region in the world. China maintains the view that no country should seek hegemony or practice power politics. This should be made a principle to be observed universally in international relations. China is not seeking its own sphere of influence. It does not seek hegemony now, and will not seek hegemony in future when it grows stronger. The past few years saw further strengthening and development of the friendly and good-neighborly relations between China and its surrounding countries as a result of the concerted efforts by China and those countries. This, in our view, not only serves the common interest of both China and those countries, but also contributes to peace and development of the region and the world as a whole.

Mr. President, in order to win a genuine peace in the world and create a favourable development environment for the people in all countries, the international community is focusing more and more on the subject of what kind of new international order should be established, in our view, such basic principles as sovereign equality of member states and non-interference in their internal affairs—as enshrined in the charter of the United Nations—should be observed by all its members without exception. In compliance with the spirit of the charter and the established norms governing international relations and in light of the changes in the international situation, the Chinese Government wishes to share with the governments of other countries some of its basic

views concerning the establishment of a new international order that will be stable, rational, just and conducive to world peace and development. These basic views are:

- The new international order should be established on the basis of the principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit and peaceful coexistence. The core of these principles is non-interference in each other's internal affairs. The people and governments of various countries are entitled to adopt the social system and ideology which they choose in light of their national conditions.
- All countries—big or small, strong or weak, rich or poor—are all entitled to participate in world affairs as equal members of the international community and make their own contributions to world peace and development.
- The new international order should include a new economic order. As the ever-widening gap between the North and the South and the continued sharpening of their contradictions have become a destabilizing factor in international life, the establishment of a just and rational new international economic order based on equality, mutual benefit and providing for appropriate handling of the debt burden has become ever more urgent and critical.
- Human rights and fundamental freedoms of all of mankind should be universally respected. Human rights covers many aspects: not only civil and political rights, but also economic, social and cultural rights. As far as the large numbers of developing countries are concerned, the rights to independence, subsistence and development are of paramount importance. In essence, the issue of human rights falls within the sovereignty of each country. A country's human rights situation should not be judged in total disregard of its history and national conditions. It is neither appropriate nor workable to demand that all countries measure up to the human rights criteria or models of one or a small number of countries. —China values human rights and stands ready to engage in discussion and cooperation with other countries on an equal footing on the question of human rights on the basis of mutual understanding, mutual respect, and seeking consensus while reserving differences. It opposes interference in the internal affairs of other countries under the pretext of human rights.
- Effective disarmament and arms control should be achieved in a fair, reasonable, comprehensive and balanced manner. Efforts should be stepped up to attain complete prohibition and thorough destruction of nuclear and chemical weapons at an early date and to ban the development of space weapons. Countries in possession of the largest nuclear and conventional arsenals should take the lead in discharging their

special responsibilities for disarmament. All nuclear-weapon states should undertake not to be the first to use nuclear weapons, or to use or threaten to use such weapons against non-nuclear-weapon states or nuclear-free zones. The nuclear weapons of the disintegrated Soviet Union should be placed under effective control. As the disarmament issues bears on national security of all states, it should be discussed and addressed with their participation.

- The United Nations should uphold justice and play a more active role in maintaining world peace and promoting development, as well as in helping establish a new international order. As most U.N. member states belong to the developing world, it is only reasonable for people to expect that the organization will do more in defending the rights and interests of the developing countries.

Mr. President.

In recent years, the United Nations has played an important role in maintaining world peace and security, accelerating settlement of regional conflicts, and promoting economic and social development of various countries. In so doing, the United Nations has enhanced its prestige and that of its Security Council and has increased people's confidence in the organization. While affirming this, we must also be aware that the drastic and profound changes in the international situation have led to the reemergence of numerous contradictions previously hidden from the public eye, adding to instability in the pursuit of peace and development in the world. It is in this sense that the responsibility of the United Nations and its Security Council has become heavier and the challenges facing them more formidable.

China is ready to cooperate with all the other members of the Security Council, discuss issues of common interest to the international community and exchange views with them as equals in the spirit of seeking common ground while reserving differences so as to expand areas of consensus. China sincerely hopes that the United Nations and its Security Council will play a still more active and constructive role in international affairs. Now, we have a newly elected U.N. secretary-general, Dr. Ghali. China supports the work of the secretary-general and wishes to pledge full cooperation. We are confident that, in discharging his duties, the secretary-general will receive extensive support from the developing countries and the international community at large.

Mr. President.

It is our hope that this meeting will have a positive impact on the maintenance of world peace and security and will play an important role in helping establish the new international order and defend the rights and interests of the developing countries, thus making a contribution to the progress of humanity.

Thank you, Mr. President.

Comments on Protectionism, Taiwan

OW0202091392 Beijing XINHUA Domestic Service
in Chinese 0513 GMT 2 Feb 92

[By reporter Liu Qizhong (0491 0366 0022)]

[Text] United Nations, 1 Feb (XINHUA)—State Council Premier Li Peng said here 1 February that results of the just-concluded UN Security Council summit meeting were positive and served as a good start.

Premier Li Peng said: The attendance of heads of state and government of so many countries indicated the importance of this UN Security Council summit meeting, the first of its kind since its inception 47 years ago.

Li Peng made these comments during an interview to journalists of the U.S. QIAO BAO [Overseas Paper (0294 10320)] and the American-Chinese Television Network before departing New York on the evening of 1 February.

Li Peng pointed out: The convocation of the meeting also demonstrated that the present world is not as peaceful as certain people have imagined, or else there would be no need to hold a meeting of this nature.

Touching on China's policy toward trade protectionism, Li Peng said: China has been undertaking many reforms regarding the foreign trade system. He emphatically pointed out that there will be no prospects for promoting trade protectionism, stating: As regards certain regional organizations that have recently emerged, some are political, some are economic, and some are both. Generally speaking, we adopt a supportive stand toward this trend of syndication designed to promote regional peace and cooperation, because they are conducive to the development of multipolarity in the international system, which is beneficial to peace and stability.

On the question of policies toward Taiwan, Li Peng emphasized: Taiwan is a part of China. The government of the PRC is the only legitimate government representing the whole of China. "We have not changed our stand, and we will not."

He emphatically pointed out: The formula of "one country, two systems" is the best for peaceful unification between the mainland and Taiwan. As regards such things as "one country two governments," "confederation" [bang lian 6721 5114], or "federation" [lian bang 5114 6721]—no matter how the modification goes—all are derived from the same source with the object of promoting two Chinas, to which we are resolutely opposed.

He further said: The CPC and the Kuomintang should sit down and hold talks on all questions concerning unification. Talks of this nature will be helpful to peaceful unification of the motherland.

He also expressed the hope that the Taiwan authorities will first of all make a bigger step regarding "three exchanges" [the exchanges of mail, trade, and air and shipping services].

Premier Li Peng also answered questions concerning China's reform and opening up to the outside world, as well as domestic economic situation.

Ending the interview, Premier Li Peng, through "QIAO BAO" and the American-Chinese Television Network, extended his spring festival greetings to overseas Chinese and Chinese nationals residing in the U.S., wishing them a happy new year and a happy family.

Yeltsin Calls For Arms Cuts

OW0102072592 Beijing XINHUA in English
0706 GMT 1 Feb 92

[Text] United Nations, January 31 (XINHUA)—Russian President Boris Yeltsin today called on other countries to follow the example of Russia and the United States in arms reduction.

Speaking at a press conference here this afternoon after the Security Council summit, Yeltsin said the new approach he and U.S. President George Bush made to disarmament "is not a monopoly of Russia and the United States."

"We invite other major military powers to follow suit," he declared.

Bush and Yeltsin both made new arms control proposals this week, that would reduce the American strategic nuclear arsenal to between 4,500 and 5,000 warheads, about 60 percent of the current level, and the Russian long-range nuclear warheads to between 2,000 and 2,500.

The Russian president noted that in the presidential statement adopted by the UN Security Council summit today, the council laid stress on the implementation by all of the obligations in the field of arms reduction and non-proliferation.

"Russia will consistently implement the agreements reached both within the framework of cooperation with its partners within the commonwealth and at international forums," he added.

Yeltsin called for the establishment of a system of protection from space with the joint efforts of Russia and the United States and the joint exploitation of the system.

"Then there won't be any rivalry of the two major states—Russia and the United States, because today we no longer consider the United States as our potential opponent and we wish to be allies," he declared.

He predicted that with a global system of protection from outer space and its joint exploitation, there would be no need for nuclear weapons, submarines and other weapons.

This would also put to use the 3,000 nuclear specialists and experts in the former Soviet Union and prevent them from drifting abroad and spreading the nuclear technology to other countries and save more than 100 billion U.S. dollars right away by cutting "very deeply" into the country's strategic and nuclear weapons and liquidating or simplifying its submarines, according to Yeltsin.

Meanwhile, in a letter to the UN secretary-general on January 29, the Russian president outlined the measures his country would take to control arms.

In addition to the cut in strategic offensive arms, he also promised to eliminate one-third of the sea-launched tactical nuclear weapons, half of the nuclear warheads for ground-to-air missiles and half of its air-launched tactical nuclear munitions.

He also expressed his readiness to destroy existing anti-satellite systems and work out an agreement for a total ban on weapons specially designed to attack satellites in addition to cuts in conventional arms and destruction and prohibition of biological and chemical weapons.

Ghali, Major Praise Summit

OW0102075992 Beijing XINHUA in English
0746 GMT 1 Feb 92

[Text] United Nations, January 31 (XINHUA)—UN Secretary-General Butrus Butrus Ghali and British Prime Minister John Major, spoke highly of the summit meeting of the UN Security Council today.

Speaking at a press conference after the summit, Major said to have around the same table the heads of state or government of China, Russia, the United States, France and Britain for the first time in the history of the United Nations symbolizes the transformation from confrontation to cooperation in the work of the organization.

He said that in a world which is more hopeful than for many years, "we need an organization that can settle disputes, contain conflicts and keep the peace."

The United Nations is that organization, he said.

Major, whose country holds the rotating presidency of the Security Council in January, said that in the presidential statement the summit participants pledge themselves to collective security, international law and their commitments under the UN charter—to resolve disputes peacefully; to fight against terrorism; pursue arms control, disarmament and non-proliferation of nuclear weapons; and to conclude a chemical weapons convention in 1992.

The statement, Major noted, reinforces the safeguards of the international atomic energy agency and it commits the council to take action in cases of violation of the non-proliferation treaty notified to them by the international atomic energy agency.

Major pointed out that the most substantive achievements of all is that the heads of government of countries whose arsenals could between them destroy the world have met as colleagues and partners in a common enterprise to make the world a safer one, and they did so here today under the auspices of the United Nations.

Secretary-General Butrus Ghali told the press conference that the past four weeks, during which he worked as the UN chief, show there is a political will to play a role in international affairs, and that the Security Council will not act unless there is a consensus, and that all the decisions that were adopted during this month have been taken by consensus after deliberation.

This deliberation proves that "we have reached a degree of democratization inside the Security Council," he noted.

When asked about his next step in the peace-keeping operation in Yugoslavia, the secretary-general said he hoped to have a meeting in the next few days with the special representative, Cyrus Vance, and submit a report to the Security Council before making a decision.

"We want to cooperate with the European Community in finding a solution, the role of the European Community being the political solution of the problem and the role of the United Nations being the maintenance of the cease-fire and peace-making forces," he said.

African Envoys Urge Greater UN Role

OW0102055292 Beijing XINHUA in English
0530 GMT 1 Feb 92

[Text] United Nations, January 31 (XINHUA)—Three African countries—Cape Verde, Morocco and Zimbabwe—today called on the United Nations to play a greater role in maintaining world peace and security.

In his speech at the Security Council summit, Prime Minister Carlos Carvalho Veiga of Cape Verde said, "The United Nations, through its Security Council, has to act, as envisaged by the charter, as the guardian of the security of nations, especially the small countries, and as a catalyst for promotion of the primacy of the rule of law in international relations."

Cape Verde, he added, strongly encourages the Council to pursue its new path and will spare no effort to promote and strengthen its charter role of prompt and decisive action against aggression, of laboring to bring a peaceful end to existing conflicts and creating a more stable and peaceful world environment.

However, he called on the Security Council to be "even-handed" in addressing aggression and illegal occupation, saying that whenever a selective approach is taken in that respect, it necessarily damages its credibility and weakens substantially its moral authority.

Veiga noted that one of the Security Council's most important tasks is the implementation of the collective security

system as envisaged in the charter and that the new era of cooperation seems to have created the environment that will facilitate measures leading to its implementation.

He called for strengthening of the role of the peace-keeping forces, describing them as "an indispensable and important" tool in the hands of the Security Council in its conflict management role.

Addressing the summit, Moroccan King Hassan II said that since the end of the cold war, the responsibilities of the United Nations have broadened.

He commended the role played by the United Nations since the end of the Second World War in seeking to maintain peace and security worldwide and said that "all countries hope that it will be more successful in the future in ensuring peace and security."

Speaking at the summit, Nathan Shamuyarira, Zimbabwean foreign minister and special emissary of President Robert Mugabe, said the responsibility rests squarely on the United Nations and particularly on the Security Council to rescue the world from the present unpredictable and dangerous situation.

"The Organization of African Unity looked to the Security Council to democratize the international system so that all nations can participate fully in peace-making and peace-keeping," he added.

Speaking of the many misgivings some countries have with regard to the prosecution of the Gulf war last year, Shamuyarira said that in order to avoid such misgivings, future collective enforcement operations must be fully accountable to the Security Council and should be truly representative.

'One-Day' Summit Ends 1 Feb

OW0102071692 Beijing XINHUA in English
0644 GMT 1 Feb 92

[Text] United Nations, January 31 (XINHUA)—The one-day U.N. Security Council summit, the first ever in the UN's 47-year history, closed here this afternoon with a presidential statement adopted.

Noting the world is experiencing a time of momentous change, the statement pledged the council members' commitment to collective security.

It also stressed the UN role in peace-making and peace-keeping and reaffirmed the council's responsibility for disarmament and arms control.

In the statement, the leaders of the Security Council member states asked the secretary-general to submit a report by July 1, 1992 on ways of making the United Nations more efficient in maintaining world peace.

The summit took place at a time when the world is at a vital turning point, with the old structure coming to an end while a new one being yet to take shape.

In recent years, the United Nations has played an important role in maintaining world peace and security, accelerating the settlement of regional conflicts and promoting the economic and social development in various countries.

In doing so, the UN has enhanced its prestige and that of the security council, thus increasing people's confidence in the organization, the statement said.

The summit heard speeches by the heads of state or government and foreign ministers of the 15 permanent and non-permanent member states of the Security Council.

The key-note speech was made by British Prime Minister John Major, whose country is serving as the president of the UN Security Council in January.

Calling the meeting a turning point of the world as well as the United Nations, Major called for the exploitation of the potential of the UN charter in taking action to avert crisis by preventive diplomacy.

He said that UN secretary-general should take the initiative boldly in drawing potential conflicts to the attention of the Security Council.

The Security Council must be prepared to act before tension becomes conflict, it added.

Butrus Butrus Ghali, who became UN secretary-general on January 1, 1992, said in his speech that the council members should do their parts to address the urgent issues facing the people of the world.

Chinese Premier Li Peng, as well as leaders of the other Security Council member states, stressed their position on the theme of the meeting: The responsibilities of the Security Council in the maintenance of international peace and security.

Li Peng told the meeting that in order to win a genuine peace in the world and create a favorable environment for the development in all countries, the international community is focusing more and more on the subject of what kind of a new international order should be established.

"In our view, such basic principles as sovereign equality of member states and non-interference in their internal affairs, as enshrined in the charter of the United Nations, should be observed by all its members without exception," Li said.

He added the new international order should be established on the basis of the principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit and peaceful coexistence. The meeting also provided a unique opportunity for world leaders to discuss bilateral issues. Several dozen bilateral meetings were held between them during their short stay in New York City.

The Chinese premier today met with nine heads of state or government and the secretary-general of the United Nations.

Leaders Hold Meetings on Sidelines of UN Summit

Li Peng, Bush Discuss Ties

OW0102063492 Beijing XINHUA Domestic Service
in Chinese 0542 GMT 1 Feb 92

[By reporter Zhao Renfang (6392 0088 2455)]

[Text] United Nations, 31 Jan (XINHUA)—Chinese Premier Li Peng and U.S. President Bush exchanged views on bilateral relations and international issues of mutual interests at a meeting at UN headquarters this afternoon.

Premier Li Peng said: "China attaches great importance to Sino-U.S. relations, and I hope this meeting will help improve and develop Sino-U.S. relations."

He said: "There are differences between China and the United States, but the common interests are the main things. I believe that China and the United States can improve and develop relations as long as the two countries attach importance to their relations, increase contacts, consult with one another on an equal footing, and work hard to promote understanding."

President Bush said: "The meeting between us is an important one. Normalization of U.S.-China relations is in the interest of both sides."

Li Peng added: "China and the United States reached a certain understanding when Secretary of State Baker visited China last year. China will stand by its commitments. China has made great efforts to improve Sino-U.S. relations, and I hope the U.S. side will seriously honor its promise."

Bush said: "The U.S. stand remains unchanged. It will abide by the agreement which Secretary of State Baker reached with China in Beijing, including the understanding reached on the issue of restoring China's status in the GATT."

The two leaders unanimously agreed that the meeting was useful.

Present at today's meeting on the Chinese side were Qian Qichen, state councilor and minister of foreign affairs; Liu Huaqiu, vice foreign affairs minister; and Zhu Qizhen, Chinese ambassador to the United States. Present at the meeting on the American side were Secretary of State Baker and national security adviser Scowcroft.

Li Peng, Yeltsin Affirm Cooperation

OW3101194692 Beijing XINHUA in English
1932 GMT 31 Jan 92

[Text] United Nations, January 31 (XINHUA)—Chinese Premier Li Peng met with Russian President Boris Yeltsin here this morning and both agreed that the two countries should strengthen their cooperation and contacts in the future.

The two leaders are attending the summit of U.N. Security Council member countries in the U.N. headquarters in New York.

Li Peng said that "China will continue to develop its good-neighborly relations with Russia on the basis of the five principles of peaceful coexistence and the two Sino-Soviet communiques signed in 1989 and 1991."

The Chinese premier also expressed the hope that the traditional friendship between the two countries could be maintained and developed.

Boris Yeltsin said that Russia attaches great importance to the friendly and cooperative relations with China.

China and Russia are close neighbors and there is great potential in bilateral economic cooperation, he stressed.

The president held that the social system of Russia is different from that of China, nor is it same as that of western countries. The difference should not block cooperation between Russia and China.

It is important for Russia to develop economic relations with China and Russia is willing to cooperate with China in various fields through deferent forms and channels, he said.

Yeltsin Stresses Importance of Ties

HK0302053192 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 3 Feb 91 p 1

[By reporters Zhang Qixin (1728 0796 2500) and Zhang Liang (1728 0081): "Premier Li Peng Meets President Yeltsin"]

[Text] United Nations, 31 Jan (RENMIN RIBAO OVERSEAS EDITION)—State Council Premier Li Peng met with Russian President Boris Yeltsin at UN headquarters this morning.

At the meeting, Premier Li Peng said: China will continue to develop its good-neighborly relations with Russia on the basis of the Five Principles of Peaceful Coexistence and the two Sino-Soviet communiques signed in 1989 and 1991. The peoples of China and Russia have had traditional friendship, and it is hoped that such a friendship can be maintained and developed. China and Russia have a common border which is over 4,000 km long, and it is hoped that this border will become a peaceful and friendly one.

President Yeltsin said: Russia attaches great importance to the friendly and cooperative relations with China. China and Russia are close neighbors, and there is great potential in bilateral economic cooperation. The two countries supplement each other in economic activities. Russia will abide by the spirit of the two Sino-Soviet communiques signed in 1989 and 1991. The Russian Parliament will ratify the agreement on the eastern section of the Sino-Soviet border which has already been signed. The social system of Russia is different from that of China and is also different from that of Western countries. The difference should not block cooperation between Russia and China. It is very important for Russia to develop economic relations with China, and Russia is willing to cooperate with China in various fields through different forms and channels.

Both sides agree that as neighboring countries, China and Russian will strengthen cooperation and contacts in the future.

Attending at the meeting were Qian Qichen, state councillor and foreign minister; Vice Foreign Minister Liu Huaqiu; and Li Daoyu, China's representative to the United Nations.

Russian Vice Premier Yegor Gaydar, Foreign Minister Andrey Vladimirovich Kozyrev, and others of the Russian side also attended the meeting.

Li Peng, Major View Bilateral Issues

OW0102064992 Beijing XINHUA in English
0630 GMT 1 Feb 92

[Text] United Nations, January 31 (XINHUA)—Chinese Premier Li Peng and British Prime Minister John Major met here this evening, exchanging views on Hong Kong issues, bilateral relations and matters of common concern.

Both sides expressed the belief that the agreement reached on the new Hong Kong airport last September is conducive to boosting the confidence of the people on the future of Hong Kong.

Major said he is happy to hear that the Standing Committee of China's National People's Congress has ratified China's participation in the Treaty of Nuclear Non-Proliferation.

Li Peng briefed major on China's stance on its founding membership in the General Agreement on Tariff and Trade (GATT).

Major reiterated Britain's support to China's founding member status and expressed hope that China would continue to follow its current policies of reform and opening to the outside world.

On Taiwan's request to join the GATT, Major said that Britain would not take any action that would go against

the wording and the spirit of the joint communique on establishing diplomatic relations between Britain and China in 1972.

Qian Qichen, Chinese State councillor and foreign minister, and Douglas Hurd, British foreign secretary, were present at the talks.

Discuss Joint Liaison Group's Work

HK0202032592 Hong Kong SOUTH CHINA
SUNDAY MORNING POST in English 2 Feb 92 p 1

[By political correspondent Danny Gittings]

[Text] British Prime Minister Mr John Major yesterday urged Chinese Premier Mr Li Peng to speed up the work of the Sino-British Joint Liaison Group (JLG) during an hour-long meeting at the United Nations in New York.

The encounter came as a Hong Kong-based pro-China news agency released a hard-hitting editorial, warning London against allowing other countries to become involved in the territory's affairs.

Downing Street gave only brief details of the meeting between the two premiers—the first since Mr Major visited Beijing to sign the airport accord last September—but confirmed Hong Kong and the JLG had been the first two items on the agenda.

The work of the JLG has been proceeding at a snail's pace since the Tiananmen Square massacre with sensitive subjects, such as the future of defence lands and aviation agreements, being held up for several years, and British concern over the issue has been mounting.

But a more detailed Chinese account of the meeting—which was also attended by the British and Chinese foreign ministers Mr. Douglas Hurd and Mr Qian Qichen—made no mention of any discussion of the JLG, instead stressing the two men had reiterated their support for the Memorandum of Understanding on the Chek Lap Kok project.

Downing Street said Mr Major had raised Beijing's poor human rights record, although the NCNA [New China News Agency—XINHUA] account made no mention of this.

Meanwhile, a sharply-worded editorial was distributed by the semi-official China News Service [ZTS] (Hong Kong Branch) after the Li-Major meeting ended yesterday.

"Hong Kong should not allow any foreign influences to interfere with its politics or internal affairs," said the commentary, which will appear in this month's issue of the Beijing-backed Bauhinia magazine.

And it called on the Hong Kong Government to reassert its authority over the Legislative Council, warning that it would otherwise degenerate into a "lame-duck" administration.

Li Peng Meets Japanese Premier*OW0102050192 Beijing XINHUA in English
0453 GMT 1 Feb 92*

[Text] United Nations, January 31 (XINHUA)—Chinese Premier Li Peng met his Japanese counterpart Kiichi Miyazawa here this morning shortly before the opening of the summit meeting of the U.N. Security Council.

"This is our first meeting since your excellency became prime minister of Japan, I would like to extend my congratulations to you," Premier Li Peng said.

The Japanese prime minister said, "I am very glad to meet you at the U.N. Headquarters. This year will see the 20th anniversary of the normalization of diplomatic relations between Japan and China. The Japanese side will hold a series of celebrations and are warmly expecting the forthcoming visit by General Secretary Jiang Zemin."

Premier Li noted, "I met Mr. Noboru Takeshita yesterday at Davos and told him that the visit by General Secretary Jiang, who is the core of the third generation of the Chinese leaders, will play an important part in further promoting the development of our bilateral relations."

China is looking forward to the visit by the Japanese emperor and empress this year, Li said, adding that it will also celebrate the 20th anniversary of the normalization of diplomatic relations between China and Japan with various activities.

Li Talks With UN Secretary General*OW0102074292 Beijing XINHUA in English
0734 GMT 1 Feb 92*

[Text] United Nations, January 31 (XINHUA)—Chinese Premier Li Peng met here this afternoon with UN Secretary-General Butrus Butrus Ghali. They exchanged views on how to strengthen the role of the United Nations.

Li Peng said that China supports the view of strengthening the role of the UN in the maintenance of international peace and security.

"China will give active support to the work of the secretary-general," the Chinese premier said.

Butrus Ghali expressed his thanks again for China's support in his efforts to be elected to the post of the secretary-general.

Li Peng said that "in the Security Council meeting today, speakers of various member states expressed their support to your excellency. The developing countries cherish more expectation, wishing that you would achieve successes in your work."

The Chinese premier invited Ghali to visit China and the secretary-general accepted the invitation with pleasure.

Joining in the meeting on the Chinese side were Qian Qichen, state councilor and foreign minister, and Liu Huaqiu, vice foreign minister.

Present on the occasion from the UN secretariat were Virendra Dayal and Ji Chaozhu, both being under-secretaries-general.

UN Chief Hosts Luncheon*OW0102071992 Beijing XINHUA in English
0655 GMT 1 Feb 92*

[Text] United Nations, January 31 (XINHUA)—UN Secretary-General Butrus Butrus Ghali today gave a luncheon in honor of the heads of state and government, and foreign ministers participating in the summit meeting of the UN Security Council.

The guests included Chinese Premier Li Peng, French President Francois Mitterrand, Russian President Boris Yeltsin, British Prime Minister John Major and U.S. President George Bush.

Both Ghali and Major proposed a toast at the luncheon. Britain holds the rotating presidency of the UN Security Council in January.

Meanwhile, Mrs. Ghali gave a luncheon in honor of the wives of the participants in the meeting.

Li Peng Views Ties With Mitterrand*OW0102022392 Beijing XINHUA in English
0210 GMT 1 Feb 92*

[Text] United Nations, January 31 (XINHUA)—Chinese Premier Li Peng explained to French President Francois Mitterrand today that different social systems and value concepts should not become obstacles to cooperation between China and France.

His remarks came during a luncheon given by U.N. Secretary-General Butrus Butrus Ghali in honor of participants at the first-ever U.N. Security Council summit.

Li said Sino-French relations were basically sound. We share more common ground than differences, he said. Li also briefed Mitterrand on China's domestic situation.

For his part, Mitterrand said France had been on good terms with China, except for the last two years, when the two had been kept at arm's length.

"In fact, there are not many differences between our two countries," he said. "China is a great country. With further development it can exert a greater influence on world affairs," he added.

The two men said maintaining high-level contacts was necessary to promote bilateral ties. They agreed the

United Nations should play a greater role in international affairs now that the world was marching toward multi-polarization.

Li Peng Meets Cape Verde Minister

*OW3101202092 Beijing XINHUA in English
1955 GMT 31 Jan 92*

[Text] United Nations, January 31 (XINHUA)—Chinese Premier Li Peng met and discussed with Carlos Carvalho Veiga, prime minister of Cape Verde this morning at the U.N. headquarters the international situation, bilateral economic cooperation and the U.N. role.

During the meeting, Premier Li briefed Prime Minister Veiga about China's views on the international situation and explained China's position on the establishment of a new world political and economic order, disarmament and the U.N. role in maintaining peace and security.

Veiga agreed with Premier Li's views on the international situation and China's position that countries, big or small, strong or weak, rich or poor, are all entitled to make their own contributions to the creation of a peaceful, stable and developing world. The United Nations should make greater efforts to resolve the issue of development, he added.

Veiga praised the cooperation between Cape Verde and China and China's assistance to his country and wished further promotion of bilateral relations of the two countries. He warmly welcomed China to become an observer of the Non-Aligned Movement and regarded China as an important factor in striving for world peace and stability.

Li Peng said that China, as one of the developing countries, can only afford limited assistance to other developing nations, but such assistance is sincere without any attached conditions. China's aid to Cape Verde is only a symbol of friendship, Li said.

Veiga invited Li Peng to visit Cape Verde at his convenience and Li accepted his invitation with pleasure.

Meets Zimbabwean Foreign Minister

*OW0102051192 Beijing XINHUA in English
0456 GMT 1 Feb 92*

[Text] United Nations, January 31 (XINHUA)—Chinese Premier Li Peng met here this afternoon with Nathan Shamuyarira, foreign minister and special emissary of President Robert Mugabe of Zimbabwe.

Shamuyarira told Premier Li Peng that President Mugabe had planned to meet Premier Li during the U.N. Security Council summit.

However, he said, because of the sudden death of his wife, the president failed to come to the United Nations this time.

"President Mugabe is looking forward to meeting the premier on some other occasions," Shamuyarira said.

Premier Li asked Shamuyarira to convey his sympathy and solicitude to the president.

"President Mugabe was the first leader I had planned to meet in New York. China and Zimbabwe share many viewpoints on international issues, and we should strengthen our cooperation," said Li Peng.

Shamuyarira, while expressing agreement with what the Chinese premier said, noted that he hoped Premier Li Peng would visit his country in the future.

Meets American 'Friends'

*OW0202075492 Beijing XINHUA in English
0727 GMT 2 Feb 92*

[Text] New York, February 1 (XINHUA)—Chinese Premier Li Peng met today with a group of well-known American personages from the National Committee on U.S.-China Relations and the Foreign Relations Committee at the Permanent U.N. mission of China here.

Premier Li is here for the one-day U.N. Security Council summit meeting held yesterday, which was attended by top leaders of the other 14 member states of the Security Council.

In the meeting with the Americans, Li Peng expressed gratitude on behalf of the Chinese Government for the efforts made over years by American friends from the two committees to promote the friendship between the people of China and the United States and to develop the relations of the two countries.

He said that the Sino-U.S. relations met with some difficulties over the past two years, but the relations have improved to some extent. It is of symbolic significance that "I Met with President George Bush, Secretary of State James Baker and General Brent Scowcroft at the U.N. headquarters yesterday," he said.

The premier said that the Chinese side attaches great importance to its relations with the United States and the improvement and development of the Sino-U.S. relations are in the common interests of both sides. Both sides share identical views on that, which is shown by yesterday's meeting, he added.

Raymond Shafer, president of the National Committee on U.S.-China relations, said the fact that Premier Li found time in his busy itinerary to meet Americans shows the Chinese Government attaches importance to U.S.-Chinese relations. Recently the relations have improved some, he said, "our national committee expects the two nations' relations to improve more rapidly."

Barber Conable, emeritus president of the World Bank, was encouraged by Li's remarks that China will speed up the implementation of its policy of reform and opening to the outside world. "Such a policy has considerably

improved the living standards of the Chinese people. China's further implementation of this policy is favorable to the world economy, as well as the United States," he added.

Those also present at the meeting included David Rockefeller, president of the Rockefeller Group, John Temple Swing, executive vice president of the U.S. Foreign Relations Committee, Colin Campbell, president of the Rockefeller Brothers Foundation, and D. Bruce McMahan, president and chairman of the board of directors of the McMahan Co.

Also present on the occasion were Chinese State Councillor Qian Qichen, Chinese Ambassador to the U.S. Zhu Qizheng, Vice Foreign Minister Liu Huaqiu and China's Permanent Representative to the United Nations Li Daoyu.

Bush, Yeltsin Agree To Meet Later

*OW0102234092 Beijing XINHUA in English
2246 GMT 1 Feb 92*

[Text] Washington, February 1 (XINHUA)—U.S. President George Bush and Russian President Boris Yeltsin today agreed to meet twice later this year, but failed to make meaningful progress on the issue of nuclear arms reduction.

After a three-hour meeting with Yeltsin at Camp David, Bush announced that the Russian president will come to the United States on a state visit in the first half of the year and that he will visit Moscow in the later half of the year.

Yeltsin came to the United States to attend the U.N. Security Council summit in New York and before the trip, he and Bush both unveiled initiatives to drastically reduce U.S. and the ex-Soviet nuclear arsenals.

In his State of the Union address, Bush said that the United States will eliminate its most advanced land-based multiple-warhead missiles, reduce by one third of its submarine-based missiles and turn many strategic bombers into conventional use, if the ex-Soviets agree to scrap all their land-based multiple-warhead missiles.

Yeltsin responded by calling both sides to reduce their nuclear missiles to the level of 2,000 or 2,500 and to create a joint anti-missile system in place of the Strategic Defense Initiative.

At a press conference following the Camp David talk, Bush said Secretary of State James Baker will visit Moscow in two weeks to start the negotiations with Russians on the subject of nuclear arms reduction.

"We didn't go into any agreements on categories or numbers, but we decided that we would let the experts talk about this in much more detail," Bush said, adding that the United States and Russia probably will cooperate in future in the areas of space adventures and defense.

At the joint press conference with Bush, the Russian president said that their talks touched on a wide range issues, such as the economic reform in Russia, the Commonwealth of the Independent States and condition of the ex-Soviet military forces, as well as the nuclear arms reduction.

Yeltsin called for overall support from the United States and other countries for his economic programs so that "this reform (will) not die on the vine".

"We're calling for cooperation by the whole world because if the reform in Russia goes under, that means there will be a cold war and the cold war could lead into a hot war and there could again be arms race," Yeltsin warned.

Bush said that he was convinced that "Yeltsin is totally committed to democratic reform" and the problems faced by the Russian president were "enormous". The United States will assist Yeltsin "in any way possible", he added.

The two leaders signed a joint declaration pledging to "remove any remnants of cold war hostility", but no new agreement of economic aid from the United States to Russia emerged out of the talk.

Commentaries Assess UN Security Council Summit

RENMIN RIBAO on UN Mission

*OW0102140792 Beijing XINHUA Domestic Service
in Chinese 1201 GMT 1 Feb 92*

[Text] Beijing, 1 Feb (XINHUA)—The 2 February edition of RENMIN RIBAO carries an editorial entitled "Major Mission Facing the United Nations" in connection with the summit meeting of UN Security Council member states. The Full text follows:

A summit meeting of UN Security Council member states was held at the UN headquarters in New York on 31 January. The heads of state or government of the five permanent Security Council member states and 10 non-permanent member countries gathered to discuss the current international situation, issues of common interest, and the UN's role in the present-day world; and then issued a presidential statement. The meeting, the first of its kind in the UN's 47-year history, will surely have a positive impact on the maintenance of world peace and security.

As the head of government of China—one of the permanent Security Council member states—Premier Li Peng attended and delivered an important speech at the meeting. He expounded our country's views and stands on major international issues, signaling the Chinese Government's desire to enhance cooperation with various member countries in maintaining world peace and security, promoting the establishment of a new international order, and enhancing the UN's role, and to make its own contributions in this regard. During the meeting,

Premier Li Peng met and exchanged views with leaders of various countries regarding international issues and bilateral relations, thereby enhancing mutual understanding and promoting friendship and cooperation.

The international situation underwent significant changes in recent years, ending the tense confrontation between the two military blocs in Europe. Some major regional issues have been or are being settled, giving the international situation a certain measure of detente. Peace, however, has not been secured. Greater difficulties are being encountered in development. Factors endangering world peace have yet to be eliminated completely, as have those leading to tension in the international situation. New conflicts and contradictions have surfaced in some areas at a time when all the old ones have yet to be resolved. The gap between North and South keeps widening, aggravating uneven development and escalating turbulence in the world. The grim reality illustrates that the issues of peace and development—two major themes of the present-day world—have yet to be settled.

As today's most important global organization, the United Nations plays an increasingly important role in international affairs. It has made positive contributions to maintaining world peace and security, promoting the political settlement of major regional issues, and spurring economic and social development in various countries, and has won widespread acclaim in this regard. Nevertheless, it is confronted with the major mission of living up to the expectations of various peoples and continuing to make unremitting efforts and play a greater role in maintaining world peace and security, pursuing development, promoting the just and reasonable settlement of regional conflicts, encouraging North-South dialogue, promoting disarmament, and solving issues of common interest to humanity under the current complex and changeable international situation.

The summit meeting provided a good opportunity for leaders of 15 Security Council member countries to exchange views and enhance dialogues and contacts. This certainly has positive implications for advancing and strengthening UN functions. Besides indicating support for the work of the UN secretary general, the presidential statement issued at the end of the meeting expresses a common desire to lend active support to the United Nations as it tries to play its due role in maintaining world peace and security under the new situation.

In the past 20 years since China's legitimate seat at the United Nations was restored in 1971, China has always attached importance to, and supported the United Nations' important activities in international affairs and has given high marks to the positive contributions it has made. The Chinese premier's current attendance at the summit in New York indicates China's attitude. At the same time, we hold that, to enable the United Nations to fully serve its purpose; to enable it to fundamentally safeguard world peace and security; and to enable it to create a favorable environment for development for

people of all countries, the United Nations, in compliance with the common wishes of the vast numbers of its member countries, should make constant efforts toward establishing a new international order. In his speech, Premier Li Peng thoroughly and systematically reiterated the Chinese Government's stand on this. We maintain that a stable, just, and reasonable new international order that will contribute to world peace and development should be established on the basis of mutual respect for each other's sovereignty and territorial integrity, mutual nonaggression, noninterference in others' internal affairs, equality and mutual benefits, peaceful coexistence, and other principles. All nations, big or small, strong or weak, poor or rich, should have the right to participate in international affairs as equal members of the international community. This new international order should include a new international economic order that is just, reasonable, equal, mutually beneficial, and that can properly address the problem of debt burden. Currently, the vast majority of the members of the United Nations are developing countries; therefore, the United Nations and its Security Council should all the more seek and respect these countries' opinions and do more to protect the rights and interests of the vast numbers of developing countries.

The Chinese Government is willing to join other nations in making contributions to expanding the United Nations' role and strengthening its position. We hold that a United Nations and Security Council that can play a constructive role should conduct its business strictly on the basis of the UN Charter, especially the charter's aims and principles. Equality of sovereignty of member countries, noninterference in others' internal affairs, and other basic principles laid down in the UN Charter should be abided by, by all member countries. Not to seek hegemony and not to practice power politics should become a principle abided by, by all countries. Only by doing so can the United Nations and its Security Council shoulder the responsibility of safeguarding world peace and security. On behalf of the Chinese Government, Premier Li Peng reiterated at the current summit, that China will not seek its own sphere of influence. China will not pursue hegemonism now nor after its national strength has been developed. China will, as it always has, earnestly do its duty and join the vast numbers of the United Nations' member countries in making contributions to promoting world peace, security, and development, and to establishing a just and reasonable new international order.

XINHUA Praises Results

OW0202204992 Beijing XINHUA Domestic Service
in Chinese 1706 GMT 2 Feb 92

["Review" (shu ping 6615 6097) by XINHUA reporter Liu Qizhong (0491 0366 0022)]

[Text] United Nations, 1 Feb (XINHUA)—The UN Security Council summit, which attracted worldwide attention, ended at the UN headquarters on 31 January.

It was the first UN Security Council summit in the 47-year history of the United Nations. Its importance was shown by the attendance of the heads of state and government leaders of the five permanent and 10 non-permanent member states of the Security Council.

During the one-day meeting, the leaders of the 15 countries successively spoke, briefly presenting their views on major current international issues, and their views differ on many issues. Facing the reality of a turbulent world, however, all of them have demanded the United Nations to play a greater role in safeguarding world peace and stability.

The meeting has shown the following two basic facts:

First, the world today is still in an eventful period, not as peaceful and relaxed as some people think. Do you not see that wars are still going on in quite a few countries and that some countries will show now and then their desire to seek hegemony and interfere with the internal affairs of other countries? In such a situation, people want to find a way to settle disputes, prevent conflicts, and make and maintain peace. So, a proposal was made to convene the Security Council summit.

Next, the summit meeting provided a good opportunity for the leaders of the 15 Security Council member states to exchange views and enhance dialogue and contact. At the summit, they expressed their countries' views and position. In addition to the summit, they also held bilateral meetings. Those frequent and practical high-level consultations have helped the countries concerned enhance mutual understanding and seek common ground while reserving differences. They were also no doubt conducive to improving relations among various nations and promoting and improving the UN work.

In his speech at the meeting, Premier Li Peng not only expounded China's position on the establishing of international peace; he also reiterated his views on the question of what kind of new international order we should establish—a question of common concern to everyone. His speech was well received both at the meeting and outside it. After Li Peng finished his speech, the leaders of many countries and UN officials congratulated Premier Li Peng and other Chinese officials. They described his speech as having the most substantial contents and as having expressed the aspirations of the Third World nations. Most people have appraised the meeting positively. During the 1 February press interview in New York, Premier Li Peng said that the Security Council summit had yielded positive results and it was a good start.

Because of its positive results, UN Secretary General Ghali suggested that similar summits be convened regularly in the future.

'Dawn of New World Order' Seen

HK0302040392 Hong Kong WEN WEI PO
in Chinese 3 Feb 92 p 2

[Editorial: "Dawn of New World Order"]

[Text] The recent summit meeting of the UN Security Council was the first of its kind in the United Nations' 47-year history. The summit was an example of the world's countries, big and small, discussing the world situation on an equal footing. The meeting discussed the world situation after the recent major changes. It pointed out the new dangers being brought by the changes to the world stability and security, discussed the United Nations' ability to conduct preventive diplomacy and to build and maintain peace, and also discussed the issues concerning disarmament, arms control, and the weapons of mass destruction. The summit will produce positive effects on safeguarding world peace and security. The dawn of the new world order has appeared.

Premier Li Peng, as the government head of China, one of the UN Security Council permanent member states, attended this summit, took an active part in the diplomatic activities, and achieved major results. Li Peng met with leaders of other UN Security Council permanent member states, namely, the United States, Britain, France, and Russia. This indicated that, among the five powers [wu qiang 0063 1730] in the UN Security Council, China not only holds an important position, but also plays an irreplaceable role. World affairs cannot be conducted without China's participation.

Li Peng not only came into contact [da jiao dao 2092 0074 6670] with U.S. President Bush, but also actively developed friendly relations with the American people. He met with the friends in the U.S.-Chinese Relations National Committee and the Foreign Relations Committee. Such multichanneled diplomacy [li ti wai jiao 4539 7555 1120 0074] indicates that China sets great store by relations with the United States and has reached consensus with the U.S. side on improving Sino-U.S. relations. The American friends in the nongovernmental field have done a great deal of work for safeguarding Sino-U.S. relations and promoting the two countries' economic and trade relations. This is also one of the reasons why some politicians in U.S. Congress fail in their attempt to sabotage U.S.-Chinese relations. When meeting with Li Peng, some American friends pointed out: "China's further reform and opening up will be favorable to the world economy and will also be favorable to the United States." China has grasped these factors favorable to the development of Sino-U.S. relations and has strengthened people-to-people diplomacy between the two countries. This will achieve substantial and far-reaching results.

China's diplomatic tactics have become increasingly more mature, and China has made the scope of unity increasingly wider. Its skill in handling international affairs has become consummate, and its influence has been growing. Compared with the situation in the 1950's

and 1960's, China's diplomacy has actually stepped up to a higher stage. Li Peng also met with Indian Prime Minister Rao and Ecuador's Rodrigo Borja. This showed that China is strengthening cooperation with other developing countries in UN affairs, and has won appreciation from other developing countries. China and India have a total population of some 2 billion people, accounting for two-fifths of the world's population. This is a force that can never be underestimated. At their meeting, the leaders of the two countries agreed to further strengthen their cooperation in handling international affairs. The diplomatic tendency reflected by China and India joining hands will bring about a new alignment of international forces.

The UN Security Council's summit shows that after the end of the bipolar pattern, a new pattern has not taken shape yet, but the world pattern is rapidly developing into a multipolar one. China did not miss this opportunity and displayed its prowess at this unprecedented summit meeting. It took the initiative in all aspects, scored successes ahead of others, and won the most favorable position for itself.

The declaration of the summit meeting lays stress on guaranteeing the observance of international law and the UN Charter and reiterates that all disputes between different countries should be settled in a peaceful way as specified by the UN Charter. The attempt of some states to interfere in other nations' internal affairs by inserting such pretexts as "human rights" into the declaration was foiled.

The UN Security Council's declaration also stresses that peace and prosperity are inseparable, and longlasting peace and stability require effective international cooperation. It is not hard to understand some UN Security Council member states' assessments of the events occurring last year if consideration is given to the turbulent situation brought about by the changes in East Europe and in the Soviet Union and even the wars breaking out in some countries there, because it is hard to rule out the possibility that similar conflicts and wars may also occur in other European countries. China's independent and peace-oriented diplomacy has promoted world peace and stability. The achievements are obvious to all. China's line of reform and opening up has properly handled the relationship between peace and prosperity, has stood up to the challenges of the international waves of changes, and has achieved enormous results. This is also obvious to all. This is the material foundation for the Chinese premier to air the strong note of the times [shi dai qiang yin 2514 0108 1730 7299] on the UN rostrum on behalf of the Chinese people.

The five-point principle for building a new order put forth by the Chinese premier in the Security Council is an important policy declaration. History will prove that the five principles for the new order will be supported by most of the 170 UN member states, and the world will also develop in this orientation.

'Importance' of Sino-U.S. Talks Noted

HK0102055392 Hong Kong TA KUNG PAO
in Chinese 1 Feb 92 p 2

["Political Talk" column by Shi Chun-yu (2457 0689 3768): "Sino-U.S. Summit Talks Are a Matter of Importance"]

[Text] Organizing Demonstration Is a Sheer Farce

The Security Council's 15 heads of states are gathering at the United Nations to participate in an important conference on how to effectively give play to UN functions to maintain world peace in the wake of the Cold War's ending. Two of the most eye-catching figures to the mass media are Russian President Yeltsin and Chinese Premier Li Peng. U.S. President Bush will meet Li Peng and Yeltsin separately. On the agenda of Sino-U.S. summit talks are trade, armament, and human rights.

Although some people were organizing anti-Chinese demonstrations outside the UN Headquarters in addition to some U.S. congressmen initialing a letter to oppose Bush meeting Li Peng, the Sino-U.S. summit meeting is to take place as scheduled. World public opinion is paying great attention to this event.

As a world statesman, especially the West's leader, how can Bush easily give up the opportunity to exchange views at a summit simply because of the opposition from some pro-democracy elements in addition to a dozen or so U.S. congressmen?

The British Prime Minister Says China Should Not Be Abandoned

British Prime Minister Major appealed yesterday: "China should not be abandoned on the issue of human rights. It is necessary to let China understand Western views." Thus we can see that only contacts to exchange views between the two sides will it be conducive to mutual understanding. China does not evade the human rights issue. China just holds different views from the West, proceeding from its own national conditions. The United States has long understood China's position; the fact that the heads of the two countries exchange their views to promote mutual understanding in the wake of U.S. Secretary of State Baker visiting China last year is a fine thing. Such a farce as organizing demonstrations, flinging abuses outside the UN Headquarters, does not help resolve any problems, and is not appreciated by those who are sensible.

China is the world's third largest power with a population accounting for one-fifth of the world. With the cold war ending, the UN should play a more important role in maintaining world peace to settle regional disputes through peaceful means in addition to preventing terrorism, nuclear proliferation and environmental pollution. It is quite beyond one's imagination without China's participation and efforts.

The convocation of the current Security Council to discuss UN functions in safeguarding world peace and the new world order has precisely demonstrated the fact that it is quite beyond the United States to play the leading role in the wake of USSR disintegration, and she must rely on the United Nations.

Abnormal U.S. Economic Structure Can Hardly Be Healed

Viewing Bush's recent State of the Union Message, we can see how far gone the abnormality of the U.S. economic structure is. The biggest issue is the U.S. financial deficit. The State of the Union Message announced that the financial deficit in the 1992 fiscal year (October 1991-October 1992) is \$399.4 billion, a record high, whereas the 1993 fiscal year deficit will be no less than \$351.9 billion. Although the United States has expressed that she would cut back on defense spending, tremendous financial deficit continues to surface. That shows how difficult it is to heal the deteriorated U.S. economy, which has survived on loans. U.S. GNP accounts for one-fourth of the world; the United States is the world's first economic power. Her efforts to cut back the tremendous financial deficit will inevitably strike a blow at other countries. Disputes like U.S.-Japanese friction are likely to be aggravated. Furthermore, the Federal debts are estimated to increase to \$454.66 billion by the end of 1993. The fact that the United States is bent on being the axis of the new world order, while being the world's No. 1 debtor country will be a factor in world economic instability.

The prevention of nuclear proliferation in the wake of the USSR's disintegration is a pressing topic in the world today. First, it is necessary to prevent the outflow of nuclear materials from former Soviet republics; and second, it is necessary to prevent the outflow of nuclear brains. This being the case, the Security Council summit meeting requires that every one of its members must fully see UN responsibility and functions and make decisive contributions to disarmament, armament control, and nonproliferation of nuclear experts and materials.

As one of the Security Council's permanent members, Li Peng's participation in its current summit naturally makes him an important personality. It is easy to imagine the importance of the meeting between Bush and Li Peng to discuss certain issues.

United States & Canada

Spokesman Assails U.S. Human Rights Report

OW0102111992 Beijing Central People's Radio Network in Mandarin 1030 GMT 1 Feb 92

[From the "National Hookup" program]

[Text] Asked by a reporter to comment on the denunciation of China's human rights situation contained in the U.S. State Department's report, a Foreign Ministry

spokesman said today: The report on human rights the U.S. State Department released on 31 January distorts and assails China's domestic situation, makes reckless criticisms, and interferes in China's internal affairs under the pretext of the human rights issue. This is absolutely unacceptable to the Chinese Government and the Chinese people.

The White Paper on China's Human Rights Situation, which the Chinese Government recently issued, expounds China's views and position on the human rights issue in a comprehensive and systematic manner. It also lists in detail China's tremendous achievements in guaranteeing and improving human rights.

The Chinese people have enjoyed wide-ranging democracy and freedom since the founding of the PRC, especially since the time China moved to constantly deepen its policies of reform and openness. This fact cannot be negated by any distortions or defamations.

Envoy Refutes 'Unreasonable Attack'

OW0302062992 Beijing XINHUA Domestic Service in Chinese 0430 GMT 3 Feb 92

[By reporter Zhang Zhengdong (1728 1767 2639)]

[Text] Geneva, 2 Feb (XINHUA)—Fan Guoxiang, head of the Chinese delegation attending the 44th human rights conference, granted an interview to a XINHUA reporter today, during which he refuted the unreasonable attack of the United States. During a press conference, Ambassador Blackwell, head of the U.S. human rights delegation, attacked China by saying that "a serious problem of infringement of human rights exists" in China.

Fan Guoxiang pointed out: No country should go against the UN Charter in the field of human rights and make itself "the justice of the world" by criticizing the human rights conditions of other countries as bad or good on the basis of political criteria.

He stressed: The Chinese Government respects and protects human rights. This has been stated in detail in the white paper on "Human Rights in China." In old China, the people had no human rights to speak of. Today, the people of China can fully enjoy all the rights stipulated by the Constitution and Law. Not only have they enough food to eat and enough clothing to wear, but also their living standards and health have markedly improved. These facts have incontrovertibly proven that China's achievements in safeguarding and promoting its citizens' human rights are not to be doubted.

Speaking on human rights conditions in Tibet, Fan Guoxiang said: In recent years, supported by some forces hostile to China, a very small number of Tibetan split-tists living in exile in foreign countries have created the so-called "problem of human rights in Tibet" in a vain attempt to split Tibet from China. If the question of human rights in Tibet is to be discussed, it was the Chinese Government that abolished the serf system

which had been weighing heavily upon the people of Tibet for years, thus promoting Tibet's development in all fields. Doubtless, this is the greatest contribution the Chinese Government has made to safeguarding and promoting human rights in Tibet.

[Beijing XINHUA in English at 0831 GMT on 3 February carries a similar report which adds the following: "Speaking of the U.S. ambassador's remark that 'in criticizing the human rights violations in South Africa and the occupied territories, China is actually recognizing the question of human rights is not an internal matter of a country,' Fan said the saying is exonerating South Africa and Israel from the violations of human rights.

["The Chinese representative said that the United Nations has adopted a large number of resolutions condemning the violations of human rights there, and by supporting the just struggle of the peoples in those regions, China is precisely fulfilling its obligations under the relevant U.N. resolutions and human rights instruments.

["The Chinese delegation is here to hold consultations and exchange experience with other delegations, he said.

["China is willing to explore, in concerted efforts, ways for the further promotion and protection of human rights in accordance with the principles and purposes of the U.N. Charter and on the basis of equality of all countries, big and small, he added.

["Meanwhile, Fan pointed out that the U.S. ambassador's open attack on China is in no way conducive to the smooth progress of the commission."]

Article on Motives of Bush's Asia-Pacific Trip

OW0102131492 Beijing BEIJING REVIEW
in English No 3, 20-26 Jan 92 pp 9-10

[Article by He Dalong: "Bush Seeks Remedy for Ailing U.S. Economy"]

[Text] U.S. President George Bush celebrated the New Year touring Australia, Singapore, South Korea and Japan to seek a remedy for the U.S. economy, which is struggling to get out of a recession.

The Asia-Pacific visit, the second since he took office, was, according to Bush, primarily meant to open the region's markets and to boost U.S. exports, so as to create more jobs for Americans.

"Let me make very clear the focus of this trip: My highest priority is jobs," Bush said in a departure statement, adding that each one billion dollars in new exports for American goods means the creation of 20,000 jobs.

The visit took on an unmistakable appearance of a trade mission by the fact that the president's contingent contained 21 top U.S. business executives, including presidents of the three biggest U.S. auto-makers—General Motors, Ford and Chrysler.

The tour was originally scheduled for November 1991 as a goodwill and largely symbolic trip intended to reaffirm U.S. commitment to the Asia-Pacific region. It was later postponed on November 5 amid complaints that the president had short-changed domestic concerns by spending too much time on foreign affairs.

Now, with drastic changes taking place in the world, the Asia-Pacific region is growing in importance. The conclusion of the Cold War and the disbanding of the Soviet Union removed an arch-rival for Washington. But instead of feeling relieved and elated, the United States is finding itself in a new labyrinth of interwoven problems.

Europe is moving towards integration, and Germany is growing stronger, challenging Washington's leadership in the West. The world economy is showing a growing trend towards forming regional trade blocs, leading to intensified contention for world raw materials and markets. The closing of U.S. bases in the Philippines also raised the question among Asia-Pacific nations of whether Washington would remain committed to its obligations to the region's security. Compounding the external headaches, the U.S. economy is being plagued by a serious recession. The Bush administration hopes to open Asia-Pacific markets in a bid to appease new isolationist and trade protectionist sentiments that have been on the rise in the United States.

The Asia-Pacific region has become the United States' biggest trading partner. In 1990, bi-lateral trade exceeded U.S.\$310 billion, far more than the U.S.\$220 billion with Europe. The U.S. Heritage Foundation predicted that by the end of the century, U.S. trade with the Asia-Pacific region will further double.

In Australia, Bush reaffirmed U.S. determination to remain a military power as well as a trading partner in the Pacific. "We know that our security is inextricably linked to stability across the Pacific, and we will not put that security and stability at risk," Bush said in a speech to a joint session of the Australian Parliament.

Australia has a trade dispute with the United States over U.S. government-subsidized wheat sales, which Australian farmers claim cost them U.S.\$760 million a year. Bush invited Australian farmers to the United States to further discuss the issue.

As the first U.S. President ever to visit Singapore, Bush reached an agreement in principle with the Singaporean government on the transfer of the Seventh Fleet logistics and command from Subic Bay in the Philippines to Singapore.

In Seoul, Bush did not talk much about the widely expected trade issues between South Korea and the United States. Instead, he claimed his main purpose of the visit was to step up peace talks between the north and the south sides of Korea and accelerate the denuclearization process. As a gesture towards the north side's agreement to international inspection of its nuclear

facilities, Bush and South Korean President No Tae-u agreed that the 1992 U.S.-South Korean joint military exercise would be cancelled.

In Japan, which maintains a U.S.\$41 billion trade surplus with the U.S. and is the major target for Bush's diplomatic drive, he tried to persuade Japanese leaders to open their markets for U.S. automobiles and rice and reduce the trade deficit. After difficult rounds of talks, Bush got a loose pledge from Japan to buy 20,000 more U.S. cars per year, double purchases of U.S. auto parts, relax car inspection and other standards and boost sales of other American goods.

Bush described the package as "significant but interim" and said that would translate into jobs at home. Japanese Prime Minister Kiichi Miyazawa termed the talks "a frank exchange of views" which had been "useful and substantive."

That Bush's trip took place in a presidential election year shows Bush's expectation to improve his declining popularity at home through expanding U.S. exports and creating more jobs for U.S. voters. But as economists observe, the actions pledged by the United States and Japan are unlikely to do much to trim the huge U.S.-Japan trade imbalance or create more American jobs.

Article Views Trade, U.S. Economic Strength

HK0202055792 Beijing RENMIN RIBAO
in Chinese 19 Jan 92 p 7

[Article by Sun Yi (1327 3015): "Trade Conflicts and U.S. Economic 'Internal Strength'"]

[Text] It has been well over a year since the U.S. economic recession began. Despite various measures adopted by the Federal government and the Federal Reserve during this period, economic recovery is still not on the horizon. This being the case, the U.S. Government has to turn to overseas markets to seek their "help" in starting the U.S. economy, which has landed in a stalemate.

Recent words from the White House contend that the government is ready to resolve U.S. economic problems by expanding exports. They put it bluntly, saying: "If we want people to have jobs at home, we must expand trade and open up markets." Accompanying President Bush during his recent visit of the four Asia-Pacific countries and regions were executives from some 20 major U.S. firms, with an intention to persuade those countries and regions to open their markets to the United States.

Generally speaking, it is a way out to utilize the overseas markets to fill the gap resulting from insufficient consumption on the home market. Based on U.S. official statistics, every \$1 billion worth of exports will create 20,000 jobs in the United States. This being the case, if U.S. goods find an overseas market, it will undoubtedly be an impetus to start the U.S. manufacturing industry,

which is slow in picking up. But the question is how many categories of U.S. goods will find their way to the world market?

In recent years, the U.S. trade offensive launched at EEC countries have resulted in a cutback in the unfavorable trade balance once surfacing in U.S. trade with them. Statistics have shown that a favorable balance would likely surface in U.S. trade with EEC countries in 1991. This result demonstrates, however, that should the United States continue to force EEC countries to open their markets to the United States, it would inevitably arouse strong resistance from them. The rapid economic growth in the East Asia region has expanded the domestic market in that region, and has, of course, provided an opportunity to U.S. goods entering the domestic market there. In actual fact, however, it will not be that easy for the United States to benefit from that market.

According to the official U.S. view, Asia remains "basically an undeveloped market" for the United States. But in fact, the Asia-Pacific Region including China is a region with the fastest growth in trade with the United States. By 1990, bilateral trade between the United States and the Asia-Pacific Region had exceeded \$310 billion, whereas during the same period, trade between the United States and Europe was only \$220 billion. The question is that, in bilateral trade, the U.S. occupation rate in this market has not been ideal.

Take the Japanese market, for example. In recent years, Japan has actually expanded its domestic market through expanding domestic demand; whereas during the same period, the unfavorable U.S. trade balance with Japan remained at approximately \$40 billion, despite many rounds of talks centering around this issue between personalities of economic and trade circles of the two countries. Although Japan has lifted or cut back import tariffs on some goods, including beef and oranges, U.S. businessmen continue to think that the Japanese market has not been opened to the United States. Now, the people concerned in those talks have come to see that probably no basic solutions can be found to some of the disputes existing in U.S.-Japanese trade, on the grounds that such differences exist in products quality, marketing means, and industrial setups; furthermore, they find expression in the conflict between the cultural backgrounds of the two countries. Regarding this, David C. Mulford, U.S. Department of the Treasury Under Secretary in charge of International Affairs said, not without disappointment: "It is very difficult to see that some of these individual breakthroughs have already changed the basic system. Every time we make some progress we will continuously discover that we are back again to the structural issue."

In fact, centering around the issue of expanding foreign trade, public opinion has long formed the belief that the crux to the issue is that the trade issue can in no way be resolved with the approach of "fast mending," nor can it be resolved by adding pressure or increasing the momentum in propaganda. It seems that the U.S. Government has to exert

greater efforts on U.S. internal factors if it aims at pushing the U.S. economy through expanding exports; otherwise, its wishes can hardly come true.

Central Eurasia

CPC Leadership Views on USSR 'Collapse'

HK0302005792 Hong Kong TANGTAI in Chinese
No 10, 15 Jan 92 p 31

[Article by Su Yen (5685 0917) from Beijing: "CPC Top Hierarchy Reaches Four Points of Consensus on Collapse of Soviet Union"]

[Text] Reportedly, the CPC's high level has paid serious attention to the reason for the drastic changes in the Soviet Union and the lesson to be drawn. A few years ago, when drastic changes occurred in East Europe, some people inside the CPC said that being different from the Soviet Union, East Europe adopted socialism as a result of external imposition. Now, changes have also occurred in the Soviet Union. How to explain this? It is hardly convincing to merely place the blame on the Western world's peaceful evolution strategy and Gorbachev. What are the underlying reasons for socialism's failure in the Soviet Union? And what lesson should the CPC draw from the events in the Soviet Union? This is regarded as a question concerning the future and destiny of the party and the state, and has been taken as a priority research subject by the Chinese Academy of Social Sciences.

The Four Points of Consensus Reached by the CPC Leaders

At present, the CPC leaders generally agree with the following four points:

First, they should firmly adhere to the principle of taking economic construction as the central task, and must not take political reform and democratization as the central task as was done in the Soviet Union.

Second, they should more boldly open up to the outside world, and should not close the door and pursue national seclusion, as the negative experience of the Soviet Union has shown that the closed-door policy will not only lead to backwardness, but will eventually fail and give rise to major turmoil and complete collapse.

Third, they should strengthen the party's leadership, as the negative experience of the Soviet Union has shown that without a strong leadership core, it is impossible to maintain national unity and stability.

Fourth, they should not try to export revolution, as the export of revolution will just lead to the forming of camps, the building of spheres of influence, and an arms race, and this will affect economic construction and will eventually lead to social collapse.

According to sources, although such points only represent the preliminary opinion, they reflect the basic tendency of China's future diplomacy.

Is the Current International Environment Good or Bad?

Another question of common interest for senior leaders is the impact of the changes in the Soviet Union on China's international environment. It is generally held that there are both advantages and disadvantages, but differences exist on whether the advantages outweigh the disadvantages or otherwise. First, the Soviet Union's disintegration indicates that China's traditional enemy, the big power to its north, will be greatly weakened; this is a major benefit for the Chinese nation in geopolitical terms. However, socialism's failure in the Soviet Union will leave China in an isolated position in ideological terms. In addition, when the Soviet Union, as a major rival of the Western world disappears, China's international strategic status will also be lowered, and it will have fewer opportunities to gain from the rivalry between the Soviet Union and the Western world and will face stronger pressure from the West. Second, the Soviet Union's failure indicates the end of an era, and the big powers' rivalry for hegemony will be replaced by competition in comprehensive national strength, including economic and technological competition. China will thus face greater pressure and challenge in technology. Third, the rich Western countries are stepping up their efforts to build a "new world order" dominated by the United States or by the rich nations' "club" on the basis of Western values. This will hardly be acceptable to China. How to deal with this will also be a challenge. Fourth, the contradictions between the United States, Europe, and Japan are on the rise, and the intensification of such contradictions will undoubtedly be favorable to China. However, their coordination capacity must not be underestimated. No matter how these contradictions develop, the United States and Europe will remain in an eventful period. The chaos in the Soviet Union, the civil war in Yugoslavia, and the recession in East Europe will inevitably become burdens on the Western world, especially the United States. The Western nations do not regard China as a threat, and this will provide an opportunity for China to develop relations with the West by transcending their ideological differences. An opinion accepted by many people is that as long as the Chinese people immerse themselves in building their own country well, China's future remains bright.

CIS Military Officers Want Benefit 'Reform'

OW0102083992 Beijing XINHUA in English
0800 GMT 1 Feb 92

[Text] Moscow, January 31 (XINHUA)—Military officers of the Commonwealth of Independent States have proposed that inter-state accords be concluded regarding such urgent matters as the nationality and housing of the servicemen, and the transitional period of the armed forces' reform.

The proposals were made at the first meeting of the coordinating committee for the all-CIS military officers' conference, which ended here today. According to TASS, the two-day meeting adopted a series of papers drafted by the command of the commonwealth's armed forces.

These papers and proposals will be submitted to the CIS summit scheduled for February 14 in Minsk for consideration and approval.

The meeting also requested sending officer representatives to the summit.

The coordinating committee, which represents all officers' social and welfare interests, was elected at the first all-CIS military officers' conference held on January 17 in the Kremlin.

Report on Yeltsin Call To 'Reduce' Arms

*OW3101192792 Beijing XINHUA in English
1903 GMT 31 Jan 92*

[Text] United Nations, January 31 (XINHUA)—Russian President Boris Yeltsin today called for making minimum defense sufficiency a fundamental law for the world.

"I am convinced that together we are capable of making the principle of minimum defense sufficiency a fundamental law of existence of contemporary states," Yeltsin told the security council summit this morning.

He expressed the belief that the time has come to considerably reduce the presence of means of destruction on the planet.

Yeltsin called for deep cuts in strategic offensive arms and tactical nuclear weapons, significant limitations on nuclear testing and even toward its complete cessation, elimination of anti-satellite systems, considerable reduction in conventional armaments and armed forces, practical implementation of international agreements on the prohibition of chemical and bacteriological weapons and more reliable barriers to the proliferation of weapons of mass destruction.

Speaking of the experts engaged in the developments and production of such weapons, including nuclear physicists, Yeltsin said his country "is fully aware of its own responsibility and is taking steps to provide social security to such experts."

The pledge is obviously aimed at relieving the concerns of some people who fear that the nuclear physicists of the former Soviet Union would be ready for hire by non-nuclear countries and thus leading to nuclear proliferation.

The Russian president asked for the creation of a global system for protection of the world community, saying such a system could be based on a reorientation of the U.S. strategic defense initiative to make use of high technologies developed in Russia's defense complex.

Referring to the role of the United Nations, Yeltsin, whose country inherited the Soviet seat at the United Nations including the security council, Yeltsin said the world body has a special role in establishing a new international climate in the world [sentence as received].

"This organization has stood the test of time and managed even in the ice-cold age of confrontation to preserve the nascent norms of civilized international cohabitation contained in its charter," he added.

The president welcomed the increased U.N. efforts to strengthen global and regional stability and build a new world order based on the equality of all states, big or small.

He pledged to "make use of the effective role" of the United Nations and the security council and take part in the search for lasting solutions to the Yugoslav and Afghan problems and for a normalization of the situation in the near and Middle East, Cambodia and other regions.

Brain Drain of Soviet Nuclear Experts 'Denied'

*OW3101144892 Beijing XINHUA in English
1423 GMT 31 Jan 92*

[Text] Moscow, January 31 (XINHUA)—A former prominent figure in the Soviet nuclear program denied today that there was any brain drain of Soviet nuclear experts to foreign countries.

Professor V. Mikhailov told the Moscow-based newspaper KOMSOMOLSKAYA PRAVDA, "no former Soviet expert in the field of nuclear technology has run to another country."

The nuclear weapons in the former USSR, he said, had always been made by patriots and responsible persons.

Since the collapse of the Soviet Union, some western countries and Middle East nations have planned to attract its nuclear experts with high salaries.

XINHUA Reports Russia Needs 10 Billion Rubles

*OW3101135392 Beijing XINHUA in English
1145 GMT 31 Jan 92*

[Text] Moscow, January 31 (XINHUA)—President of the Russian Central Bank Georgy Matyukhin said today that Russia needs 10 billion cash rubles for circulation.

According to SOVETSKAYA ROSSIYA (Soviet Russia) published today, the bank chief said no cash rubles were available at present for wage payment in the whole industry, agriculture and commerce.

Matyukhin attributed the shortage to the rise in prices of daily necessities and new businessmen's preference to cash accounts.

He said the government should have printed enough banknotes prior to the liberalization of prices.

He said the inflation had not resulted from the overflow of currency in circulation because the printing of banknotes could not keep up with the rise of prices.

The enterprises were now in an extremely difficult situation, he continued, stressing that they would stop production and dismiss employees if the government stopped offering loans to them.

A series of measures had been worked out for banks to collect cash rubles, he said.

Russia, Latvia Agree on Troop Withdrawal

OW0202131092 Beijing XINHUA in English
1256 GMT 2 Feb 92

[Text] Moscow, February 2 (XINHUA)—Russia and Latvia agreed today that the servicemen of the former Soviet Union stationed in Latvia will be recalled to Russia as from March.

The agreement was reached on Saturday by delegates of the two countries after one-day intensive negotiations in Riga, the capital of Latvia, the Russian Information Agency (RIA) reported.

The Russian delegation, headed by Deputy Prime Minister [as received] Sergey Mikhaylovich Shakhrai, reached a similar agreement with Lithuania on Friday, in light of which the troops of the former Soviet Union stationed there will be withdrawn to Russia as of February.

Northeast Asia

DPRK Ambassador Briefs Press in Beijing

OW0102082992 Beijing XINHUA in English
0801 GMT 1 Feb 92

[Text] Beijing, February 1 (XINHUA)—Chu Changchun, ambassador of the Democratic People's Republic of Korea to China, gave a press conference here today and briefed the press on DPRK's signing of a nuclear safeguards accord with the International Atomic Energy Agency.

Commentary Lauds DPRK, IAEA Agreement

OW0102124392 Beijing XINHUA Domestic Service
in Chinese 0852 GMT 1 Feb 92

[Unattributed commentary: "An Important Step Toward Establishing a Nuclear-Free Korean Peninsula"]

[Text] Pyongyang, 1 Feb (XINHUA)—On 30 January, the DPRK and the International Atomic Energy Agency [IAEA] signed a nuclear safety agreement in Vienna. On the same day, a spokesman of the DPRK foreign ministry announced that the DPRK Government will approve the agreement as soon as possible and submit its nuclear facility to inspection in accordance with the procedures that it and the IAEA had agreed upon. This is an important step taken by the DPRK Government to

thoroughly solve the problem of nuclear weapons on the Korean Peninsula. This step has been widely praised and welcomed by the international community.

Since last year, the issue of nuclear weapons on the Korean Peninsula has become one of the focuses of international attention. The United States and South Korea have held that the north side of Korea has been developing nuclear weapons, sparking disputes over the issue of nuclear weapons on the peninsula. The United States and South Korea have continued to apply pressure on the north side, urging it to sign a nuclear safety agreement and submit itself to inspection. The north side of Korea has stated that it does not have the intention nor ability to develop nuclear weapons and that the reason that it had not signed a nuclear safety agreement after it acceded to the "Nuclear Nonproliferation Treaty" in 1985 was that the United States had deployed nuclear weapons in South Korea. It had said that if the United States removes its nuclear weapons from South Korea and allows an inspection of South Korea's nuclear facility, it will sign a nuclear safety agreement and submit its nuclear facility to inspection.

Since the 1950's, the United States has deployed tactical nuclear weapons in South Korea; however, the United States has adopted a policy that neither confirms nor denies its deployment of nuclear weapons in South Korea, spreading a mist over the issue of nuclear weapons on the Korean Peninsula. On 18 December 1991, South Korean President No Tae-u issued a declaration stating that South Korea no longer possessed nuclear weapons. Immediately following No Tae-u's declaration [on nuclear weapons], U.S. President Bush said the United States did not dissent from No Tae-u's suggestion that all U.S. nuclear weapons had been removed from South Korea. Removal of U.S. nuclear weapons from South Korea paved the way toward solving the problem of nuclear weapons on the Korean Peninsula and satisfied the basic demand from the north side of Korea. The north side of Korea announced in a timely manner that it will sign a nuclear safety agreement with the IAEA and submit itself to investigation. At the same time, major progress had been achieved at the talks on the nuclear weapon issue between the north and south sides of Korea. On 31 December 1991, the two sides initialed the "Joint Declaration on Establishing a Nuclear-Free Korean Peninsula." In the joint declaration, the two sides agreed to use nuclear energy for peaceful purposes; not to possess, produce, import, accept, deploy, store, nor use nuclear weapons; to simultaneously submit themselves to nuclear investigations; and to establish a joint committee for the control of the use of nuclear energy. The flexible and constructive measures taken by the north side of Korea and the agreement reached by the north and south sides eventually patched up the differences between the various parties concerned; leading the issue of nuclear weapons on the Korean Peninsula to a stage of finding a fundamental solution to the problem.

Long before, the north side of Korea has called for the establishment of a nuclear-free Korean Peninsula. South Korea last year also expressed its wish to make the Korean Peninsula nuclear-free. The attitudes of both sides are in line with the wishes of people of the Korean Peninsula. They hold that signing nuclear safety agreements by the north and south sides of Korea will definitely accelerate the process of establishing a nuclear-free Korean Peninsula, contribute to improving the relations between the north and south sides, and further relax the situation in northeast Asia.

Article Views Situation on Korean Peninsula

HK0302052692 Hong Kong LIAOWANG CYBERSEAS
EDITION in Chinese No 3, 20 Jan 92 p 27

[Article by Tang Tianri (0781 1131 2480): "New Moves Toward Relaxation and Stability—Commenting on the Situation on Korean Peninsula"]

[Text] At the turn of the year, the Korean peninsula in Northeast Asia was full of good omens and continued to give out good news of peace. The North and the South took new steps to make the peninsula a nuclear free zone and relax the military confrontation. This formed a striking contrast with the turmoil and war in other regions of the world.

On the eve of the new year, that is, on 31 December 1991, North Korea and South Korea signed the "Joint Declaration on Denuclearization of the Korean Peninsula" in Panmunjom. The declaration stipulates that both sides will not test, produce, possess, store, deploy, and use any nuclear weapons; both sides will not possess nuclear regeneration and uranium enrichment facilities; and both sides will carry out selective verifications and set up a joint control committee.

President Kim Il-song stressed in his new year message that in order to realize the Korean peninsula's denuclearization, "we are willing to accept nuclear verification when the principle of fairness is guaranteed." After that, the Korean Foreign Ministry issued a statement, announcing that the Korean Government has decided to sign the nuclear security agreement and accept nuclear verification.

On 7 January, the Defense Ministry of South Korea announced that the "Team Spirit '92" joint military exercise scheduled to be carried out by the United States and South Korea in the spring of this year has been canceled. On 6 January, when visiting Seoul, U.S. President Bush also indicated that Korea [as published] may examine all military facilities in South Korea, including the military bases of the United States. If North Korea accepts nuclear verification, the United States and South Korea will "stop their joint military exercises."

All these moves adopted by North Korea and South Korea relaxed the tension and were conducive to peace.

They indicated that the situation on the Korean peninsula is developing from the removal of political confrontation to the removal of military confrontation. This is conducive to the further relaxation and stability of the peninsula's situation and also conducive to Korea's national reconciliation and reunification.

The new development of the Korean situation arose after traversing a tortuous and difficult course. Over a long time, there existed serious antagonism between Korea [as published] and the United States and between North Korea and South Korea over the nuclear issue on the Korean peninsula. The United States and South Korea repeatedly alleged that North Korea was "developing and producing nuclear weapons," and demanded that North Korea sign the nuclear guarantee agreement and accept international nuclear verification. On the other hand, the Korean Government issued many statements, saying that it neither developed and produced nuclear weapons nor possessed such a technological capacity. It stressed that North Korea did not oppose nuclear verification, but the nuclear bases in South Korea should also be investigated at the same time and the United States should withdraw its nuclear weapons from South Korea. Since 1976, the United States and South Korea have carried out "Team Spirit" joint military exercises every year, and this has intensified the tense atmosphere over the military confrontation on the Korean peninsula. Thus, North Korea constantly demanded that the United States and South Korea adopt measures and stop their joint military exercises in order to relax the tension of the military confrontation on the peninsula and to create a benign atmosphere for mutual trust.

In the last few years, along with the drastic changes and decline of the Soviet Union and the gradual collapse of the U.S.-Soviet confrontation pattern in the Asia-Pacific region, the United States, Japan, China, and the Soviet Union (Russia) have successively adjusted their policies toward the Korean peninsula. In particular, the nuclear weapons deployed by the United States in South Korea were mainly used to resist the "southward strategy" of the Soviet Union, and this was a product of the U.S.-Soviet cold war. As the United States and the Soviet Union changed their relations from confrontation to cooperation and the former Soviet Union also establish diplomatic relations with South Korea, there was no need to deploy nuclear weapons in South Korea. Therefore, there was strong domestic demand in the United States for withdrawing the nuclear weapons from South Korea. The changes in the international pattern and big power relations have created a favorable international environment for the fair and reasonable settlement of the nuclear issue on the Korean peninsula.

After North Korea and South Korea joined the United Nations at the same time in September 1991, their relations were improved and developed rapidly. The two North-South prime ministerial meetings in October and December broke the stalemate left by the three previous prime ministerial meetings and made substantial breakthroughs. On 30 December, the prime ministers of the

two sides signed the "Agreement on Mutual Nonaggression and Cooperative Exchanges Between the North and the South" in Seoul. The signing of the agreement opened up a new situation for increasing mutual trust, promoting dialogue and consultation, relaxing the tension on the Korean peninsula, and developing exchanges and cooperation between North Korea and South Korea. The improvement of North-South relations in Korea also created a favorable internal environment for the fair and reasonable settlement of the nuclear issue on the Korean peninsula.

Under such favorable internal and external environments and conditions, the two sides in Korea and the United States adopted a flexible and realistic attitude, and continued to push the settlement of the nuclear issue on the Korean peninsula to develop in a positive orientation. In July last year, the Korean Government again put forth its proposal on turning the Korean peninsula into a nuclear free zone, and this met with the positive response from the United States and South Korea. On 27 September, U.S. President Bush announced that the United States would withdraw the nuclear weapons deployed in South Korea, and put forward the principle of not producing preserving, storing, equipping, and using nuclear weapons. According to the changes in the situation, on 25 November, the Korean Foreign Ministry put forward a four-point proposal on the signing of the nuclear guarantee agreement. In December, South Korea announced that the nuclear weapons deployed by the United States had been completely withdrawn. Then, the spokesmen for the Korean Foreign Ministry announced that Korea [as published] would sign the nuclear guarantee agreement and would accept investigation according to the relevant procedures. In view of such flexible and realistic attitude shown by the two sides of Korea and the United States to the nuclear issue on the Korean peninsula, some opinion media in the United States, Japan, and South Korea hold that one may expect the appearance of a nuclear free zone on the Korean peninsula, and this will lay a good foundation for peace and stability in this region.

The prime ministers of North Korea and South Korea will soon hold their sixth round of talks. According to a joint press communique issued by the two sides at the end of last year, the two sides have initialed the "Joint Declaration on Denuclearization of the Korean Peninsula," which will come into force when the sixth round of prime minister talks makes the announcement. Before that, the two sides have exchanged the joint declaration initialed by the two prime ministers in Panmunjom. The implementation of the joint declaration will further promote the relaxation of the situation on the Korean peninsula and peace and stability in the Asia-Pacific region.

Japan's Miyazawa Promises 'Active' UN Role

*OW3101233392 Beijing XINHUA in English
2259 GMT 31 Jan 92*

[Text] United Nations, January 31 (XINHUA)—Japanese Prime Minister Kiichi Miyazawa said today his

country is prepared to take an active part in the process of adjusting functions of the U.N. Security Council.

Speaking at the first-ever Security Council summit, the Japanese leader said the United Nations has begun to play a central role in efforts to achieve and maintain world peace; clearly, more active cooperation by members of the United Nations will be needed in this area.

The Japanese leader said his country is now striving to make the necessary domestic arrangements to enable it to contribute personnel to peace-keeping operations.

On the issues confronting the U.N. today as it responds to expectations of the role it is to play in the attainment and maintenance of peace, Miyazawa listed them as how to adjust itself to the epochal changes, how to improve its effectiveness in peace-keeping and peace-making efforts, and how it can secure a sound financial base that will enable it to carry out those efforts.

Miyazawa pointed out that certain sections of the U.N. Charter are based on the realities in 1945, and that since the Security Council is at the center of U.N. efforts to maintain international peace and security, it is important to consider thoroughly ways to adjust its functions, composition and other aspects so as to make it more reflective of the realities of the new area.

The Japanese Government is prepared to take an active part in such process, he added.

Commenting on the need to strengthen the functions of the U.N. in the area of conflict prevention, Miyazawa said it is essential that the secretary-general be given sufficient information concerning tensions which could escalate into international conflicts.

It is also important that states concerned, including those which would extend considerable financial support to the peace-keeping operations, become involved in consultations on its establishment from the earliest stage.

Miyazawa also stressed the role the International Court of Justice plays in promoting the peaceful settlement of international conflicts. It is necessary to make better use of the court and to enhance its functions, he said.

In order to render the U.N. more suited to the international situation of the 21st century, Miyazawa proposed that discussions be held within the organization to ensure its central role in maintaining peaceful world order.

He also proposed the creation of a consultative mechanism on the establishment of peace-keeping operations, particularly on that of large-scale operations.

His third proposal is that concrete ways be sought to strengthen the role of the U.N. in facing non-military threats to the future security and prosperity of mankind, including those relating to the environment, refugees and poverty.

XINHUA on Indicted Japanese Party Official*OW0102132092 Beijing XINHUA in English
1221 GMT 1 Feb 92*

[Text] Tokyo, February 1 (XINHUA)—Fumio Abe, a former leading party official, and another key figure in the Kyowa money-for-influence scandal were indicted today on charges of accepting or offering bribes.

The office of the Tokyo district public prosecutor said it had filed with the Tokyo District Court a document of indictment against them.

Abe, 69-year-old former Director General of the Hokkaido and Okinawa Development Agencies, was arrested on January 13 on a charge of taking 80 million yen (about 600,000 U.S. dollars) in bribes from the now-bankrupt Kyowa steel-frame maker.

Goro Moriguchi, 48-year-old former vice president of the company, was indicted on a charge of offering the bribes to Abe in exchange for providing influence for the Kyowa company.

Abe has denied taking bribes from Kyowa, according to investigative sources.

Abe, a member of the lower house, was secretary general of the ruling Liberal Democratic Party's second-largest faction led by Prime Minister Kiichi Miyazawa from last April to December.

Upon his arrest, he quit both the ruling party and the Miyazawa faction. This was the first arrest of an incumbent Diet member since the 1976 Lockheed payoff scandal.

In the 1988-89 Recruit stock-for-favors scandal, some of the politicians tainted were indicted without being taken into custody.

Southeast Asia & Pacific**Qian Reportedly To Visit Vietnam, Cambodia***HK0302081992 Hong Kong AFP in English 0749 GMT
3 Feb 92*

[Text] Beijing, Feb 3 (AFP)—Chinese Foreign Minister Qian Qichen will visit Vietnam February 13-15 to sign an economic cooperation agreement after a brief stop in Cambodia, a Southeast Asian diplomat here said Monday.

A high-level Vietnamese delegation would also come to Beijing this month to finalize deals on transportation, communications and postal services, the source said.

Qian would make the official visit to Hanoi after spending two days in Cambodia, the source said. He is the most senior government leader to visit the two nations since Vietnam and China went to war over Cambodia in 1978.

Official confirmation was unavailable Monday, an official holiday here.

The communist leaders of Beijing and Hanoi normalized relations here in November last year after a U.N.-brokered peace agreement ended a 12-year civil war in Cambodia.

China and Vietnam supported opposite sides in the conflict.

Qian's trip to Cambodia was postponed twice because of violence in its capital Phnom Penh.

Economic and trade ties with China have taken on greater importance for Vietnam since the suspension of aid last year from its main financial backer, the former Soviet Union.

Hanoi has been keen to increase economic relations with China and the six capitalist members of the Association of Southeast Asian Nations (ASEAN): Brunei, Indonesia, Malaysia, the Philippines, Thailand and Singapore.

Vietnam hopes to learn from China's capitalist-style experiments in its southern provinces.

U.S., Vietnam Willing To Normalize Relations*OW0102194092 Beijing XINHUA in English
1748 GMT 1 Feb 92*

[Text] Hanoi, February 1 (XINHUA)—Vietnam and the United States today expressed their desire to normalize relations between them at an early date.

This was included in a joint statement issued at the end of U.S. presidential envoy John Vessey's three-day visit here.

During the visit, Vessey held talks with Vietnamese Foreign Minister Nguyen Manh Cam.

The talks conducted in frank and constructive atmosphere concentrated on the humanitarian issue and other issues of common concern, a Vietnamese Foreign Ministry official disclosed.

Vessey also met Vietnamese defense minister, General Doan Khue, for the first time.

The joint statement said that the United States will render emergency assistance to victims hit by the recent storms in central Vietnam. This is the first time that the United States rendered aid to Vietnam.

The two sides also agreed to hold government-to-government talks in Hanoi by the end of this month.

Vessey left here for home this afternoon.

SRV Wants To Maintain High Labor Exports

OW3101142492 Beijing XINHUA in English
1404 GMT 31 Jan 92

[Text] Hanoi, January 31 (XINHUA)—Vietnam will try to maintain the size of its labor exports to the former Soviet Union, Czechoslovakia and Germany, even though those workers did not have enough to do.

The Vietnamese newspaper QUAN DOI NHAN DAN today quotes Nguyen Luong Trao, a bureau head of the Ministry of Labor, war invalids and social affairs, as saying Thursday that Vietnam would also open new labor markets suited to the Vietnamese psychology and physiology.

The minister said that up to January 30, 1992, Vietnam had more than 70,000 exported workers in the three countries, including 50,000 in the former Soviet Union, 16,000 in Czechoslovakia and 12,000 in Germany.

However, those workers did not have enough to do.

Trao said that although Vietnam would face many difficulties in 1992, it would maintain its labor exports at the highest possible level.

Burmese Leader on Cabinet Reconstitution

OW0102131292 Beijing XINHUA in English
1153 GMT 1 Feb 92

[Text] Yangon [Rangoon], February 1 (XINHUA)—A senior Myanmar [Burma] military government leader has said that the reconstitution of the cabinet this week is aimed to make more activities for a national convention and a firm constitution.

On January 29, the Myanmar military government announced a 17-minister new cabinet which includes seven new ministers with five from civil officials and two from the army. Other ten kept their original positions [sentence as received].

The government also appointed 11 more people as deputy ministers on the same day.

Addressing a meeting Friday, Maj-Gen Tin Oo, second secretary of the State Law and Order Restoration Council (SLORC), said that "the cabinet had been reconstituted with the aim of making more activities for the holding of a national convention and framing a firm constitution for the emergence of a new democratic state."

Observers here hold that the increase in the number of economic experts in the new cabinet and in some important ministries is designed to improve the current difficult economic situation.

Moreover, the reconstitution was made to further improve the image of the military government at home and abroad since the SLORC took over power in September 1988, they noted.

Envoy Speaks at Canberra New Year Festival

OW0202045292 Beijing XINHUA in English
0429 GMT 2 Feb 92

[Text] Canberra, February 2 (XINHUA)—The first Chinese New Year festival was held today in Canberra's northeast suburb of Dickson, attracting more than 1000 people from the local Chinese and other communities.

The festival to celebrate the Chinese "Year of Monkey" was organized by a group of tenants who support the Dickson Chinatown development proposal.

The festival was opened by the chief minister of the Australian Capital Territory (ACT), Rosemary Follett, who, along with Chinese Ambassador to Australia Shi Chunlai, was also invited to paint the eyes of the lion used in the ceremonial lion dance.

Follett said that the ACT Government supported the proposal of the Chinatown development, which would be both beneficial to the local Chinese community and the ACT's tourism industry.

In his speech at the ceremony, the Chinese ambassador paid tribute to the local Chinese community for their contribution to the development of the Chinese culture and the prosperity of Australia.

Chief organizer Eddie Kwong said that this was the first Chinese New Year festival held in Dickson, the site of the Chinatown project. It would become a permanent venue for the annual celebration, he said.

There are Chinatowns in other major capital cities of Australia, and they all have big Chinese New Year festivals. So it is most suitable for Canberra to have one, Kwong said.

The New Year celebrations, which lasted for more than four hours, included lion dance, Chinese fireworks displays and exhibition of the Chinese martial arts.

Near East & South Asia

Pan Lichen Visits Israel To Spark Trade

HK0302022492 Hong Kong SOUTH CHINA
MORNING POST in English 3 Feb 92 p 8

[By Yehonathan Tommer in Jerusalem]

[Text] China and Israel have moved another step towards opening up direct trade following a visit to Israel by an eight-member Chinese delegation headed by a senior official in charge of industry.

Last week's visit was led by Vice-Minister for Industry Mr Pan Lichen and has been officially described by China's charge d'affaires, Mr Tang Zhenqi, as a private tour at the invitation of the Israeli Dead Sea Works, a phosphates company.

Mr Pan's unpublicised visit was sponsored by Mr Shaul Eisenberg, an influential Israeli businessman with long-established interests in China, and was preceded by several exploratory Israeli missions to China by technicians from the Dead Sea Works.

Mr Pan took to Israel a draft agreement for the establishment of the first Israeli potash manufacturing plant in northern China.

The plant is to take two years to build and will have a technical team of 50 Israelis.

The cost of US\$300 million (HK [Hong Kong]\$2.33 billion) is to be shared between the Dead Sea Works, the Eisenberg Group and the Chinese Government.

The plant will produce an annual 2.5 million tonnes of potash, amounting to 20 percent of China's local supplies.

A high-powered Israeli delegation from the top electronics industries working in the military field is expected to arrive in Beijing by the end of the month.

The strong military background of the Israeli companies has fuelled speculation that China and Israel will boost their cooperation in this area.

Israel Criticized for Defying UN Resolution

OW0102135892 Beijing XINHUA in English
1319 GMT 1 Feb 92

[Text] Beirut, February 1 (XINHUA)—A UN official today slammed Israel for its defiance of UN Resolution 425 which calls for total and unconditional withdrawal of Israeli forces from South Lebanon.

Timor Goksel, spokesman for the United Nations Interim Force in Lebanon (UNIFIL), said that Israel has never said that it will comply with Resolution 425 nor has it ever attached any importance to the resolution for the peace and stability in the region.

He said that the UNIFIL considers the resolution as a very important international means to realize peace and stability in the tense area of the world.

It is Israel's refusal that hindered a thorough implementation of the resolution, he said.

Goksel's remarks were made in response to a statement made Friday by an Israeli Army spokesman.

The statement said that the deployment of Lebanese army troops in some zones of UNIFIL operations indicates that Resolution 425 no longer fits in with the development of the situation.

The statement was referring to the recent deployment of 1,200 Lebanese troops in seven South Lebanese villages near Israel's self-proclaimed "security zone."

These villages originally policed by 70 Ghanaian peacekeepers of UNIFIL were turned over to the Lebanese Army last week.

Goksel said that the deployment of the Lebanese troops in these villages contributes to the implementation of the UN resolution. The 5,850-strong UNIFIL was established in 1978 by a UN security Council resolution with a mandate to confirm the withdrawal of Israeli forces from South Lebanon, to restore international peace and security and to assist the government of Lebanon in ensuring the return of its effective authority in South Lebanon.

Israel has carved out a 1,100-square-kilometer enclave in South Lebanon allegedly to shield northern Israeli settlements from cross-border guerrilla attacks.

Over the past months Israeli troops and its allied South Lebanon army intensified their attacks on South Lebanese villages from the "security zone."

A few hours ago, Israeli troops shelled some villages including Yater and Srobbine north of the "security zone," further heightening tension in South Lebanon.

'Bright Prospects' Seen for Afghanistan

OW3001230692 Beijing XINHUA in English
0637 GMT 30 Jan 92

["News Analysis" by Wu Dingbao: "Brighter Prospects for Afghan Solution"]

[Text] Islamabad, January 30 (XINHUA)—As the Afghan conflict entered its 13th year, it seems that positive developments in the peace process herald signs of peace in Afghanistan, analysts said.

The U.N. secretary general's personal representative Benon Sevan is now here to start a new round of consultations with parties concerned as part of the peace process for a comprehensive settlement of the issue.

Sevan, who arrived here Tuesday night after extensive talks with U.N. chief Butrus Ghali in New York, is expected to hold consultations with Afghan Mujahedin leaders, Pakistan officials and officials in Kabul and Tehran during his shuttle visits to finalize arrangements for convening an Afghan assembly to decide an interim government in Afghanistan acceptable to Afghans.

Ghali said in a press statement in New York Monday night the time was ripe for an end to the Afghan conflict, expressing his readiness to organize such a gathering outside the region with the participation of as many segments of the Afghan society as possible.

The U.N. initiative this time came in the wake of Pakistan's announcement of its full support to the U.N. secretary general's peace plan for Afghanistan, which is a positive development facilitating a breakthrough in the stalemated political process.

Pakistan has long been a strong backer of the Afghan Mujahedin groups against Najibullah's government in

Kabul. Its decision to adjust its Afghan policy to realities, is sure to make the Afghan peace process move forward much easier and contribute to the political settlement, observers said.

State Minister for Foreign Affairs Mohammad Siddique Kanjoo said his government decided not only to support the U.N. efforts for convening a representative Afghan assembly but also to accept its outcome. This clear backing from Pakistan now enables the U.N. to start getting its peace plan off the ground.

It was also reported that Pakistan has stopped all kinds of arms supplies for the Afghan mujahedin and in future no arms for mujahedin will get through Pakistan.

After the Soviet withdrawal from Afghanistan in 1989, the stalemate continued and the solution was still not in sight.

To facilitate the U.N. efforts, Pakistan pledged to encourage mujahedin leaders to participate in the peace process, hoping that all mujahedin groups would take part in the U.N.-sponsored Afghan assembly which was reported to be held in Geneva, Ankara, Cairo or Riyadh in February or March this year.

The Afghan Government, welcoming the U.N. initiative for an Afghan assembly, said that it will participate in it to find a peaceful solution to the conflict.

Analysts said that unless something unforeseen dramatically casts dark shadows on the horizon the prospects for peace in Afghanistan are never so bright as they appear today.

Anniversary of Sri Lankan Diplomatic Ties Marked

*OW0102123792 Beijing XINHUA in English
1144 GMT 1 Feb 92*

[Text] Beijing, February 1 (XINHUA)—The Chinese People's Association for Friendship with Foreign Countries gave a reception here this evening in celebration of the 35th anniversary of the establishment of diplomatic relations between China and Sri Lanka.

Among those present were Chen Muhua, vice-chairman of China's National People's Congress Standing Committee, Han Xu, president of the Host Association, and Xu Dunxin, vice-minister of foreign affairs.

Also present were Sri Lankan Ambassador to China Suhita Gautamadasa and Mrs. Gautamadasa, embassy officials as well as Sri Lankan experts and students in Beijing.

West Europe

Li Peng Departs New York To Resume Europe Tour

Accompanied by Qian Qichen

*OW0202084692 Beijing XINHUA in English
0827 GMT 2 Feb 92*

[Text] New York, February 1 (XINHUA)—Chinese Premier Li Peng left here tonight for Portugal after attending the first-ever summit meeting of the U.N. Security Council on January 31.

Premier Li today met constitutional President Rodrigo Borja Cevallos of Ecuador, Prime Minister Narasimha Rao of India, and leaders of the National Committee on U.S.-China Relations.

He also had an interview with the New-York based Chinese-language newspaper THE CHINA PRESS and TV station "Sinovision."

Chinese Foreign Minister Qian Qichen accompanies Premier Li to Europe.

Arrives in Portugal 2 Feb

*OW0202121192 Beijing XINHUA in English
1157 GMT 2 Feb 92*

[Text] Lisbon, February 2 (XINHUA)—Chinese Premier Li Peng arrived here today after attending the U.N. Security Council summit in New York to begin his official visit to Portugal.

This is the first visit to Portugal by a Chinese premier since the two countries established diplomatic relations in 1979.

In a written statement issued upon his arrival at the Lisbon Airport, Premier Li said he is pleased to begin his official visit to the beautiful atlantic coastal city of Lisbon and expects his visit will further facilitate the strengthening and development of bilateral relations between the two countries.

Lisbon is the third leg of Li's four-country trip to Western Europe beginning with Italy and Switzerland. Here he is expected to meet with Portuguese President Mario Soares, Prime Minister Anibal Cavaco Silva and other Portuguese officials before flying for Madrid.

Further on Arrival

*OW0202161192 Beijing XINHUA in English
1543 GMT 2 Feb 92*

[Text] Lisbon, February 2 (XINHUA)—Chinese Premier Li Peng arrived here today to begin his three-day official visit to Portugal after attending the U.N. Security Council summit meeting in New York.

He was accorded a warm welcome from his host, Portuguese Prime Minister Anibal Cavaco Silva, at the airport upon his arrival at about 11:30 a.m. local time.

This is the first visit to Portugal paid by a Chinese premier since the two countries established diplomatic relations in 1979.

During the welcoming ceremony at the airport a 19-gun salute was fired and Li reviewed the guards of honor.

In his written statement issued at the airport, Li spoke highly of the progress made by the two countries in their cooperation in various fields since 1979.

He also praised the Sino-Portuguese joint declaration on Macao signed in 1987, saying that the two countries have effectively cooperated in implementing the declaration.

Under the current volatile international situation, Li said, the strengthening of mutual understanding and cooperation is not only in the interests of the peoples of the two countries, but is also conducive to world peace and stability.

He said the Chinese Government and people attach great importance to the friendly relations and cooperation between China and Portugal, and are willing to join the Portuguese Government and people in pushing this relationship to a new high.

Among those present at the airport to greet the Chinese premier were Portuguese Minister of Commerce and Tourism Faria de Oliveira, State Secretary of Presidency and Council of Ministers Luis Manuel Marques Mendes, and Governor of Macao Rocha Vieira.

Li Peng's entourage includes State Councillor and Foreign Minister Qian Qichen, Minister of Foreign Economic Relations and Trade Li Lanqing, and Director of the Foreign Affairs Office of the State Council Qi Huaiyuan.

Portuguese Minister Views Visit

OW3101094392 Beijing XINHUA Domestic Service
in Chinese 0738 GMT 30 Jan 92

[By XINHUA reporter Chen Jiaying (7115 1367 3841), GUANGMING RIBAO reporter Jiang Xiankang (5592 0752 1660), and the China International Broadcasting Station reporter Yu Huijuan (0827 1979 1227)]

[Text] Lisbon, 29 Jan (XINHUA)—Portuguese Prime Minister Anibal Cavaco Silva said in Lisbon today that he warmly welcomes Chinese Premier Li Peng's visit to Portugal in early February and hoped his visit would further strengthen the current friendly relations between the two countries.

Prime Minister Silva made the above remarks during an interview with Chinese reporters.

Speaking of the significance of Premier Li Peng's Portugal visit, Silva said: This will be the first visit to Portugal by a premier of the PRC; this fact itself has very special significance. Portugal and China have had close, friendly, and cooperative relations, and we hope these relations will be strengthened further. It was in this friendly spirit that I signed in Beijing in April 1987 the

joint statement regarding Macao. Undoubtedly the statement was agreed on after successful negotiations between the two sides on the basis of mutually respect for each other's interests.

Silva continued: During Premier Li Peng's visit to Portugal, we will, in the spirit of maintaining harmony and cooperation, talk about progress in implementing the joint statement in an effort to maintain Macao's stability and development.

Regarding bilateral relations, Prime Minister Silva said: China is a big country; in this era of great upheaval, China's participation in the international arena is indispensable. Portuguese-Chinese relations have been further strengthened in recent years, and Portugal is very satisfied about this. A substantive result of the PRC premier's Portugal visit will be the signing of an investment protection agreement between the two countries. As everyone knows, both Portugal and China are currently in a period of vigorous economic development; therefore, this agreement will have special significance.

When asked about Portugal's idea in promoting relations between the EC [European Community] and China during the period in which Portugal is the chairman of EC, Prime Minister Silva said: Today Asia is one of the regions that has the greatest economic vitality. The EC, as the world's largest trade group, naturally attaches increasing importance to its relations with Asia. China occupies a prominent position, both politically and economically, on the Asian continent; therefore, when Portugal assumes chairmanship of the EC, it will pay special attention to the relations between the EC and China, and will do its best to make positive contributions to promoting necessary dialogue in various fields between the EC and China.

Before the interview ended, Prime Minister Silva, on behalf of the people of Portugal, extended his friendly regards to the people of China and wished that Portuguese-Chinese relations reach a higher level in the next century.

Li in Spain To Promote Ties

OW0202095892 Beijing XINHUA Domestic Service
in Chinese 0628 GMT 2 Feb 92

[XINHUA's International Material on Spain; by Chen Wenying (7115 2429 5391)]

[Excerpt] Beijing, 2 Feb (XINHUA)—[Passage omitted] Since the establishment of diplomatic ties between China and Spain in March 1973, political, economic, and cultural relations between the two countries have been continuously developing. In November 1990, the Spanish Foreign Minister Fernandez-Ordonez visited China, leading others in restoring high-level contacts with China. Premier Li Peng's upcoming visit to Spain will certainly further promote friendly and cooperative relations between the two nations in various fields.

Journal Analyzes Western Tour

HK3001141192 Hong Kong LIAOWANG OVERSEAS
EDITION in Chinese No 4, 27 Jan 92 p 3

[Article by Zhao Zijian (6392 1311 0256): "Enhance Understanding, Strengthen Cooperation—Premier Li Peng Visits Four West European Countries"]

[Text] At the invitation of Italian Prime Minister Giulio Andreotti, the Switzerland Confederation Government, Portuguese Prime Minister Anibal Cavaco Silva, and Spanish Prime Minister Felipe Gonzalez, Premier Li Peng will pay an official visit to Italy, Switzerland, Portugal, and Spain between 27 January and 6 February. This is the first visit by a Chinese leader to Western Europe since 1989 and a major diplomatic activity. International media holds that Li Peng's current visit reflects China's "major diplomatic success and breakthrough."

Italy is the first leg of Li Peng's visit. Following the establishment of diplomatic relations between China and Italy in November 1970, the numerous mutual visits between the leaders of the two countries contributed to the considerable progress in bilateral relations. Since 1970, trade contacts and economic cooperation between the two countries have developed rapidly and the volume of trade has increased from \$120 million to around \$2 billion. Last year, Giulio Andreotti, who has assumed the office of Italian prime minister for the seventh time, paid a visit to China. The two sides signed The Fourth Three-Year Cooperation Plan and the Italian Government promised to grant soft loans and a complimentary loan totaling \$500 million to China.

The second leg of Li Peng's visit is Switzerland. This is the first visit by a Chinese premier to Switzerland since Premier Zhou Enlai attended the Geneva Conference in 1954. The Swiss Confederation recognized the PRC as early as January 1950. China established ambassadorial diplomatic relations with Switzerland in 1957.

With an average GNP of \$34,000, Switzerland is one of the richest countries in the world. Its food processing, watch manufacturing, tourism, and financial services occupy a decisive position in the international market. According to Chinese customs statistics, the volume of trade between China and Switzerland in 1990 totaled \$571 million. Economic and trade cooperation between the two countries has also developed considerably in recent years and there are 25 Chinese projects in which Switzerland has invested. China imported around 40 technological items from Switzerland, the contract volume of which exceeded \$200 million.

During his visit to Switzerland, Li Peng will attend the World Annual Economic Forum, regarded by the West as a "unofficial international economic summit" on 30

January. The heads of a number of countries and government leaders and celebrities from enterprise, financial, and academic circles will attend the forum. Apart from the forum, the important activities will also include bilateral contacts.

Following his Swiss tour, Li Peng will attend a meeting of heads of the member nations of the Security Council at UN Headquarters on 31 January, joining the leaders of the nonpermanent members, including Austria, Belgium, Cape Verde, Ecuador, Hungary, India, Japan, Morocco, Venezuela, and Zimbabwe, to discuss the UN Security Council's role in safeguarding world peace. The summit was initiated by British Prime Minister Major, who assumed chairmanship of the Security Council in January 1992.

Li Peng will then visit Portugal and Spain. Since the establishment of diplomatic relations between China and Portugal in 1979, leaders of the two sides have made exchange visits on numerous occasions. Former Portuguese President Ramalho Eanes and Prime Minister Cavaco Silva visited China, in turn. As chairman of the EC for the first half of this year, Portugal has maintained improved EC ties with China. The most conspicuous topic on Li Peng's current visit will be the Macao issue. Four years have elapsed since the two countries signed the Joint Declaration on the Question of Macao. It is bwlwccw that Li Peng will exchange views with Portuguese leaders on a number of major issues concerning Macao's transition period.

Spain is a new economic star in Europe. Its economy has developed rapidly in recent years, growth exceeding the average EC level EC. As the host of the 1992 Summer Olympiad, this ancient country on the Iberian Peninsula presents a scene of vigor and vitality. King Juan Carlos and Prime Minister Felipe Gonzalez are both old friends of the Chinese people. Since the establishment of Sino-Spanish diplomatic relations, trade and economic relations between the two countries have grown continuously. The volume of bilateral trade in 1991 is estimated to exceed \$600 million. Scientific and technological cooperation between the two countries has also developed in depth. Of the 41 cooperative projects signed last year, 34 have been implemented. From 1985 to the present, the Spanish Government has granted three mixed loans to China, totaling \$1.2 billion.

During his stay in West Europe, Li peng will hold talks with the leaders of Italy, Switzerland, Portugal, and Spain, based on the principle of seeking common ground while reserving differences, mutual respect, increasing mutual understanding, and strengthening cooperation. He will exchange views on the international situation and explore ways of establishing a new international order. China will continue to follow the principle of seeking common ground while reserving differences, mutual respect, noninterference in each other's internal affairs, equality, and mutual benefit, and develop long-term and stable relations of friendship and cooperation with the Western European countries. China and the

four Western European countries have a sound foundation for economic cooperation. They complement each other and there is great potential for economic and trade cooperation. Li Peng will hold consultations with the leaders of the four countries on bilateral relations and economic and trade cooperation and sign a number of economic and trade agreements.

Undoubtedly, Li Peng's current tour will produce a positive influence on increasing mutual understanding and cooperation between China and Western Europe and on safeguarding world peace.

'Roundup' on Portuguese Visit

OW0102101492 Beijing XINHUA Domestic Service
in Chinese 0447 GMT 31 Jan 92

["Roundup" by reporter Chen Jiaying (7115 1367 3841):
"A Major Event in the Development of Friendly and
Cooperative Relations Between China and Portugal"—
XINHUA Headline]

[Text] Lisbon, 30 Jan (XINHUA)—At the invitation of Portuguese Prime Minister Anibal Cavaco Silva, Chinese Premier of the State Council Li Peng will pay a formal visit to Portugal in early February. This will be the first visit to Portugal by a Chinese premier since the two countries established diplomatic relations in 1979, as well as a major event in the development of friendly and cooperative relations between the two countries.

The upcoming visit fully reflects the current friendly relations between the two countries and the two sides' common wish to further develop these relations.

Portuguese leaders attach great importance to developing relations with China, holding that China plays an important role in world affairs and that China's development has great significance for building a new world political and economic order. Portuguese President Mario Soares appraises Portugal's relations with China positively. He recently pointed out that the highly constructive dialogue on the Macao issue between the two countries will accelerate the development of bilateral relations.

The Portuguese Government also holds that the EC should continue to develop relations with China. Premier Li Peng's upcoming visit to Portugal coincides with Portugal's assuming the chairmanship of the EC. According to a report, Portuguese Foreign Minister Deus Pinheiro has proposed that the foreign ministers of Portugal, the Netherlands, and Britain—respectively the current, preceding, and next chairing country of the EC—hold a meeting with the Chinese foreign minister.

Thanks to the two sides' common efforts, official exchanges between China and Portugal increased noticeably last year. Chinese State Councillor and Foreign Minister Qian Qichen visited Portugal in February 1991, during which he met with the Portuguese president, parliamentary speaker, and prime minister, and held

fruitful talks with Foreign Minister Deus Pinheiro. Chinese Minister of Justice Cai Cheng also visited Portugal in May last year.

Three high-ranking Portuguese officials, including the minister of education, visited China last year. Macao Governor Vieira also visited China in November.

This exchange of visits have kept the communication channel between the two sides unimpeded, promoted the two sides' friendly relations, and ensured the continuous development in cooperation in various fields.

In the economic and trade area, a meeting of the Sino-Portuguese Mixed Committee for Industrial, Technological, and Economic Cooperation was held in Beijing in March 1991. The governments and economic circles of the two countries have pledged to further develop bilateral trade, and economic and technological cooperation.

In the cultural field, the two countries, in accordance with the 1991-1993 cultural exchange plan signed by the two sides, will establish cooperation in the cultural, science, and educational fields.

On the Macao issue, the two sides have maintained good cooperation in implementing the two governments' joint statement on Macao. The Sino-Portuguese Joint Liaison Group has conducted friendly consultations regarding major problems during Macao's transitional period, and progress has been made in these consultations.

Nongovernmental exchanges between the two countries have also developed in recent years. The people of Portugal harbor deep and friendly feelings toward the people of China. Nongovernmental organizations for promoting friendship and cooperation between the two countries have made positive contributions to enhancing mutual understanding and friendship between the two peoples.

Both China and Portugal hold that currently the two countries are enjoying good cooperative relations and that the two governments are setting their eyes on the future. Premier Li Peng's upcoming visit to Portugal will definitely further strengthen and develop the bilateral friendly relations and cooperation in all fields between the two countries.

Paper Says Visit 'Successful'

HK0202054392 Hong Kong WEN WEI PO
in Chinese 1 Feb 92 p 4

[By staff reporter Tai Bao-erh (2071 1405 0334): "Two Major Achievements of Li Peng's Visit to Switzerland"]

[Text] Davos, 31 Jan (WEN WEI PO)—Chinese Premier Li Peng's two-day visit to Switzerland has ended. Generally speaking, the visit of the Chinese Government

delegation was successful, and the fruits included Switzerland's plan to send a senior government delegation to visit China and China's plan to send a trade delegation to buy Swiss goods, thus strengthening the two countries' economic and trade cooperation.

In fact, attending the annual meeting of the "World Economic Forum" held in Davos, Switzerland, was the focus of the Chinese Government delegation's visit to Switzerland. The forum is the world's largest economic summit, and various opinions expressed by the forum normally attract extensive attention from governments and large companies in many countries.

The main guest speaker at the opening session of the annual meeting is usually the focus of attention. Moreover, this was the first visit by the Chinese Government head to Western Europe. So Premier Li Peng naturally became the focus of attention at the meeting. The meeting participants generally commented favorably on his speech at the meeting. An editor of the DAILY ADVERTISER [mei ri xin wen bao 3020 2480 2450 5113 1032], Switzerland's most popular newspaper, told this reporter: Li Peng's speech has solid contents. If the data he cited are accurate, China's social conditions are rather good. The degree of freeing of prices and political openness in China was beyond his expectations, and he said that it was never easy to properly manage a country with 1.1 billion people and ensure sufficient food and clothing for the people.

A Swiss journalist told this reporter that many followers of the Dalai Lama live in Switzerland, and they number some 1,600 people. The anti-China demonstrations in Europe were organized by these people. They first put on their "shows" in Rome, and then followed the Chinese delegation to Switzerland. In fact, the people in Switzerland stand for neutrality and are interested in developing economic and trade relations with China.

Finland Receives Ambassador, Hopes To Expand Trade
OW3101154292 Beijing XINHUA in English
1514 GMT 31 Jan 92

[Text] Helsinki, January 31 (XINHUA)—Finnish Prime Minister Esko Aho has said that his country is willing to further expand cooperation with China in trade, cultural and other fields.

He was speaking Thursday when receiving the new Chinese Ambassador to Finland Qiao Zonghuai.

Finland is closely watching European integration, he said, but that does not mean that it is ignoring countries and regions outside Europe.

He added that China is a country beyond Europe that is very important to Finland, and Finland wants to work with China to develop and expand bilateral trade.

Qian Qichen Meets French Foreign Minister
OW3101234292 Beijing XINHUA in English
2330 GMT 31 Jan 92

[Text] United Nations, January 31 (XINHUA)—Chinese State Councillor and Foreign Minister Qian Qichen and French Foreign Minister Roland Dumas today pledged further joint efforts to promote the implementation of the Paris Agreement on Cambodia.

This came during a meeting between Qian Qichen and Roland Dumas at the U.N. Headquarters this afternoon.

The Paris Agreement is a good one which should be fully implemented, Qian said. Dumas agreed to Qian.

Qian told Dumas that he will visit Cambodia and Vietnam soon, which Dumas said is very important and wished him a success.

On bilateral relations between China and France, Dumas said that the French-Chinese political relations are good and that the two nations share much common ground on international issues. France expects more rapid development in economic relations between the two countries, Dumas added.

China hopes that French products will enjoy greater competitiveness, Qian added.

Political & Social**Daily 'Signed Article' on Human Rights Cited**

OW0302094192 Beijing XINHUA in English
0927 GMT 3 Feb 92

[Text] Beijing, February 3 (XINHUA)—The following are excerpts of a signed article which appeared in the Beijing PEOPLE'S DAILY [RENMIN RIBAO] today:

Human rights has become one of the major issues that the international community much concerns [as received], but it is absolutely unacceptable for any country to use the human rights issue to serve its political motive by imposing its own values and social pattern on another.

For the people of the developing countries that account for three quarters of the world population, the human rights should, first and foremost, be the right to subsistence. The human rights will mean nothing whenever the right to subsistence is not assured.

There still exist various forms of colonialism, racism and foreign aggression and occupation in the present-day world. Many developing countries are suffering exploitation to some extent, with their resources, minerals and fund controlled by others.

Since the end of the Second World War, more than 150 regional wars and conflicts have erupted. Nearly all of them took place in developing countries, inflicting heavy losses in human lives and property in these countries.

Therefore people in the developing countries long for a peaceful environment in which they can develop their economy so as to attain the right to subsistence.

In the economic field, the developing countries' economy has become increasingly deteriorated with their foreign debt reaching over 1,340 billion U.S. dollars, which is as much as half of the GNP of these countries put together.

United Nations statistics show that the people who die of hunger each year in the developing countries are between 13 million and 18 million.

Some countries in the West are now pursuing "human rights diplomacy." In fact, they want to interfere with the internal affairs of the developing countries under the pretext of "human rights," achieving the purpose of setting up "a new world order" in line with their own values.

These countries also link human rights issues with their economic aid and use economic sanctions to exert pressure on developing countries. They even directly support the opposition and help create disturbances in developing countries, leading to political instability there.

The Association of Southeast Asian Nations (ASEAN) reiterated last July in a joint communique issued at a meeting of ASEAN foreign ministers that developed

countries should not impose their own criteria of human rights on the developing countries.

The human rights issue is mainly of a nature of the internal affairs of a sovereign country, though it bears international character. Respect for human rights should take into consideration the specific situation of each country because the human rights issue has its root in a specific economic structure and cultural evolution.

Yang Shangkun Inspects Xinjiang, Beijing

HK3101154592 Hong Kong CHENG MING in Chinese
No 172, 1 Feb 92 pp 27-28

[By Lu Tai (7627 3141): "Yang Shangkun Inspects Xinjiang, Makes Arrangements To Prevent Sudden Changes"]

[Text] People saw out the year 1991 in a cold winter. In January, things seemed to be quiet in Beijing.

But the top CPC leading body has never been quiet. A ministerial-level cadre told me: Most of them (referring to the top CPC leaders) are suffering from a "disease of worry and apprehension."

"Effect of Peaceful Evolution" Is Radiating, Having Great Impact on China

Their "worry" is because by the end of 1991, the Soviet empire, with a history of over 70 years, had thoroughly collapsed. The "path of the Russians" has proved to be ineffective in Russia. Peaceful evolution in the Soviet Union and the East European countries, which has produced an even greater effect than that of an atom bomb, is radiating and having a great impact on China.

Their "apprehension" is that the consequence of the "4 June" incident has not been eliminated and there are increasing resistance forces (both violent and nonviolent) on the mainland. In Inner Mongolia, Xinjiang, and other areas, there are also increasing minority nationalities "disturbances."

Moreover, despite the CPC threats and lures, the regime of Taiwan's Li Teng-hui has refused to submit to the CPC "reunification" pattern and make concessions. This situation makes the CPC leaders increasingly worried.

Inside Story of President's "Cold"

On 11 December 1991, the CPC suddenly announced that the state president was unable to attend two activities because he had caught cold. The two activities were to: Give a send-off to the Maltese president, who was leaving Beijing, and to receive the credentials of a new foreign ambassador.

As a matter of fact, 85-year-old Yang Shangkun had not caught a "cold." He was only suffering from the "disease of worry and apprehension."

On 10 December 1991, accompanied by Liu Huaqing, vice chairman of the Central Military Commission; Qin

Jiwei, defense minister; Xu Xin, deputy chief of General Staff; and Wang Chengbin, commander of the Beijing Military Region, Yang Shangkun went to Xinjiang to make arrangements to prevent sudden changes.

After inspecting Yining and Tacheng by helicopter, Yang Shangkun gave the following instructions to the Xinjiang regional party, government, and military leaders:

1. Examine the implementation of various nationality policies and do a good job of promoting nationality unity and stability. This is the most important task for Xinjiang.
2. Do a good job in helping Soviet refugees to settle down in Xinjiang.
3. Do not get involved in the political and religious beliefs of the Soviet refugees and do not allow them to carry out political activities, bring weapons with them, and go beyond the settlement area.
4. Strengthen war preparedness and prevent bad elements from taking advantage of the opportunity to create disputes among nationalities and political disturbances. Once there are disturbances, the party, government, and military must adopt measures to stop them.

Yang Shangkun: Be Prepared for Worst; Properly Handle Soviet Refugee Affairs

The CPC is taking mainly preventive measures toward the possible tide of Soviet refugees. Although quite a few refugees are "comrades and brothers," it does not mean that everyone is "friendly" to the CPC. Taking in these refugees may affect Xinjiang's social stability or even affect the CPC policy of drawing in various republics which have broken away from the original Soviet Union. Moreover, the refugees will inevitably become a heavy burden on China. A person in charge of Xinjiang's party, government, and military affairs said that Xinjiang can, at most, settle 200,000 but the cost of this will reach over 1.5 million yuan a day. According to Yang Shangkun's instructions, the Lanzhou Military Region should help make arrangements for settling refugees.

Yang Shangkun returned to Beijing after inspecting Xinjiang. On 27 December, accompanied by Chi Houtian and Qin Jiwei, he began his inspection of the Beijing Military Region.

Yang Shangkun made a speech on the current situation to the cadres above the division level, in which he talked about the disintegration of the Soviet Union, the influence of the U.S. peaceful evolution offensive, and the Taiwan situation.

Source of Taiwan Independence, Independent Taiwan Lies With Li Teng-hui

Talking about Taiwan's political situation, Yang Shangkun said: The history and development of the Chinese nation are different from those of East Europe and the Soviet Union. In China, any attempt to split up

the Chinese nation, or to take the road of regional separatism, will get us absolutely nowhere. Since Chiang Ching-kuo died, Li Teng-hui has been trying to practice one China, one Taiwan, or one country, two governments. Because of the opposition of the Chinese people and the people in Taiwan, including the Kuomintang [KMT] personalities, he dared not pursue it openly. Nevertheless, since Li Teng-hui assumed power, both Taiwan Independence and Independent Taiwan have become rampant. This has its source in Li Teng-hui and is closely related with his instigation, encouragement, tolerance, support and, in addition, the encouragement and support of a small number of anti-China politicians in Japan and the United States.

Yang Shangkun neglected a very important thing when talking about history, that is, the Taiwan question was a result of armed threat and, in this regard, the CPC has an unshirkable responsibility. Under the current historical conditions, peaceful reunification represents the general trend. However, when making a decision on when to reunify China and in what way China will be reunified, the will of the people on both sides of the strait should be respected. It cannot be decided merely by the rulers on any one side.

"One Country, Two Governments" Means Rejecting Negotiations

Yang Shangkun also said: Proceeding from the overall interests of the Chinese nation, we have put forward a policy of one country, two systems, for China's reunification. This is aimed at resolving the Taiwan issue by peaceful means. For this reason, we have repeatedly suggested that the two parties sit down and talk in order to promote mutual understanding, reduce differences, and reach a common understanding on this issue. There are no unresolvable problems if both sides sit down and talk. Unfortunately, the Li Teng-hui authorities regard our sincerity and patience as weakness and accommodation. They said a prerequisite for the talks is that we must follow Taiwan's system and recognize one country, two governments. This is, in essence, a rejection of talks. Although they have relaxed to a certain extent, due to criticism at home and abroad, they have never ceased their attempts to undermine cross-strait relations, sabotage construction of the Chinese nation, and carry out ideological infiltration. They have sent personnel to the mainland to carry out propaganda activities and sabotage construction and have given money to support hostile forces in Hong Kong and abroad in interfering in the hinterland's affairs.

As a matter of fact, the policy of "one country, two systems" put forward by the CPC is already a prerequisite for the talks. The CPC could use "one country, two systems" as a prerequisite for the talks but why should Taiwan not propose "one country, two governments"? This shows that the CPC is too arrogant and aggressive and is trying to swallow Taiwan in one mouthful.

Boasting Mainland Has Sufficient Military Forces To Attack Taiwan

Yang Shangkun warned that if Li Teng-hui's authorities do not stop attempting to split the motherland and practicing the policy of one China, one Taiwan, and one country, two governments, which are aimed at undermining the reunification of the Chinese nation, the Chinese Government will take resolute action at any time, including the use of arms to realize the motherland's reunification if it is forced to do so. In this world, no government can allow its country to be split up for a long time. We now have sufficient military strength to accomplish this historical mission.

Possibility of Making Reckless Move Cannot Be Ruled Out

The CPC has repeatedly given mobilization talks on armed attack on Taiwan. This shows that it could really make a reckless move to change its inferior position in the world political situation and to attain its political aim by force. This possibility should not be underestimated. On the same occasion, Chief of General Staff Chi Haotian said: "Li Teng-hui is using counterrevolutionary dual tactics. With one hand, he tries to make use of Taiwan's economic strength to create one China and one Taiwan. This will not do. With the other hand, he tries to use what is practiced in Taiwan to promote peaceful evolution on the mainland. This will not do, either." What the CPC is worried about is that the existence and development of the Taiwan regime, especially the fact that it is becoming more and more prosperous because of the democratic reform of its political system, may become a model of "peaceful evolution" for the mainland people. If Taiwan becomes more powerful, the CPC will have fewer chips on the negotiating table.

Further Reportage on Deng's Inspection of South

*HK0102040392 Hong Kong WEN WEI PO in Chinese
1 Feb 92 p 2*

[Dispatch by reporter Tan Tan-hui (6223 0030 5610) and Wang Li-hsuan (3769 0448 2467): "Deng Xiaoping Urges Heating Up Reforms"]

[Text] Guangzhou, 31 January—Today, Guangzhou Deputy Mayor Lei Yu disclosed here to reporters: During his recent inspection of Guangdong, Deng Xiaoping stressed: It is necessary to expand reform and opening up. Without reform, there would be no speed. No speed means stagnation. Stagnation means retrogression. Lei Yu also disclosed: Five foreign-funded banks will be granted permission to establish branches in Guangzhou before the second quarter of this year.

When answering questions raised by Hong Kong reporters, Lei Yu said: Though Deng Xiaoping's speech made during his recent inspection of Guangdong has not been officially relayed, it is definitely certain that Deng is ideologically in favor of expanding reform and opening

up. Lei Yu added: As a central city in an experimental zone of reform and opening up, Guangzhou will certainly more unswervingly adhere to the reform orientation and take the socialist road with salient Chinese characteristics. This year, Guangzhou is to adopt a series of new measures. In the financial field, Guangzhou will allow five foreign-funded banks to set up branches here and will select a group of more than 10 joint-stock enterprises to issue shares (with the central authorities' approval). The provincial and city authorities will also jointly establish a stock exchange center with an eye on promoting stock exchange development.

When answering questions on Guangzhou's plan to build a horse race course, Mayor Li Ziliu said: The horse race course is mainly of a sports nature. However, it should be of a stimulating nature as well.

It was learned that the horse race course is being built on the site of the old airport, which covers nearly 8 million square feet. Its construction has been basically completed. The Hong Kong New World Development Company Ltd. is to provide funds to help build the stables and purchase the horses and will also subsidize some horse race prizes in the near future.

Calls for More Practical Work

*HK0102060192 Hong Kong MING PAO in Chinese
1 Feb 92 p 1*

["Special dispatch": "Deng Xiaoping Reportedly Stresses Doing More Practical Work With Fewer Empty Words Upon Leaving Guangzhou for Shanghai"]

[Text] According to Guangzhou sources, China's most senior leader Deng Xiaoping has left Guangzhou for Shanghai for inspection and is likely to spend the Lunar New Year there, while China's President Yang Shangkun will also leave for Shanghai today.

It is reported that Deng Xiaoping arrived in Guangzhou last Wednesday after visiting Zhuhai and left for Shanghai by special train the same afternoon. When the train carrying Deng Xiaoping and his family arrived at the Guangzhou station last Wednesday, 70 senior cadres of Guangdong, Guangzhou, and the Guangzhou Military Region welcomed Deng and saw him off at the station.

As disclosed by a related source, Deng Xiaoping and the Guangdong cadres had a group photo taken on the platform. Deng urged them to talk less and do more solid things and make more contributions to reform and opening.

People in Guangdong felt encouraged at Deng Xiaoping's visit. Deng Xiaoping reportedly reaffirmed Guangdong's leading position in reform and opening up several times during his Guangdong stay. He said: China has progressed too slowly in reform and opening up over the last few years. Given conditions, some places, such as Guangdong, can go ahead faster.

At a news conference held in Guangzhou yesterday, Vice Mayor Lei Yu disclosed that Deng Xiaoping had repeatedly stressed the need for China to press ahead with reform and opening during his inspection of Guangdong, because "we would be at a standstill without reform and standstill amounts to retrogression."

It is understood that Guangzhou Mayor Li Ziliu recently went abroad for a visit and did not return to Guangzhou until yesterday. He failed to accompany Deng Xiaoping during the latter's visit to Guangdong. Guangzhou officials were undoubtedly rather disappointed at Deng Xiaoping passing their doorway without visiting them.

However, according to a source, President Yang Shangkun was still in Guangzhou yesterday and will leave for Shanghai by air today. While both Deng and Yang were in Guangdong, they kept a distance from each other, with one in front and the other in the rear. When the two men were in the same place, they "went different ways and then got together." Deng Xiaoping was also accompanied by Yang Shangkun when he came to Guangdong for an inspection in 1984. Deng Xiaoping's current visit to Shanghai will be the third time he has spent the Lunar New Year in Shanghai, as he did this the last two years. When he stayed in Shanghai for the 1990 Lunar New Year, he agreed with the plan to develop Shanghai's Pudong District, which was followed by the "great debate between the south and north" over deepening reform and opening up wider to the outside world the following year. In 1992, it is expected that Deng will boost the morale of reformists and set their minds at ease.

It is also reported that Deng Xiaoping's southward tour was kept confidential. Apart from security reasons, propaganda departments in all places were instructed in recent years not to tell the public about the whereabouts of Deng Xiaoping, who has retired from service, so that other people will not have the impression that "he dictates policy at the back of a silk screen behind the throne."

Trip 'Impetus' to Opening, Reform

HK0202071792 Hong Kong TA KUNG PAO in Chinese
2 Feb 92 p 2

["Weekly Roundup" by Kung Yaowen (7895 5069 2429): "'Deng Xiaoping Whirlwind' Gives Impetus to Continued Opening Up"]

[Text] China Continues Reform and Opening Up

Deng Xiaoping and Yang Shangkun have recently visited and inspected Shenzhen and Zhuhai, while encouraging people to be bolder at reform and opening up. This has developed into a whirlwind with great momentum, inspiring not only the "special economic zones" [SEZ's], but also such coastal areas as southern China, Hainan, and Fujian to have a free hand in planning for accelerating opening up to the world. In addition, Hong Kong, Macao and various places overseas are also able to see

that China will adhere to reform and opening up in the 1990's and well into the next century without any changes, while firming their belief that reform and opening up is China's set policy, which will never be shaken.

Deng Xiaoping, who is 87 years of age this year, no longer holds any party or government office today; undeniably, however, his influence in China remains unchallengeable. Here, we should like to point out that the revered Deng's prestige is not based on artificial personality cult. It is certainly impossible to create another such cult in China, where people have gone through the "Cultural Revolution" in addition to their 12-year experiences in reform and opening up. Deng's prestige is derived from his popularity arising from reform and opening up. The 12 years of practice resulted in marked economic growth in China, with people's living standards reaching the highest level since the PRC's founding. All this would be quite beyond our imagination without Deng and his followers adhering to reform and opening up. It is as simple as that; without reform and opening up, there would not be China's prosperous and thriving situation today. Deng's prestige is the spontaneous assessment by the 1.1 billion Chinese people. He is worthy of being the chief designer of China's policy of reform and opening up.

Truth Must Come From Practice

Deng's line of reform and opening up has testified to the fact that truth must be derived from practice, and truth that has been tested in practice will stand the test of time. Deng Xiaoping recently made another visit to Shenzhen and Zhuhai after a lapse of eight years. When he witnessed the tremendous changes in the SEZ's and Guangdong's coastal areas, he could not help reading out aloud the inscription he wrote for the Shenzhen SEZ: "Shenzhen's development and experiences have proven that our policy of building the SEZ is correct." Reviewing the course in building the SEZ, a course in which there were some setbacks, we find some new meaning in that inscription.

This time, Deng Xiaoping said: "Reform and opening up is the only way out for China. Without reform, it would reach a dead end. Whoever refrains from pursuing reform will have to leave office." This statement has expressed China's intention to pursue further reform and opening up, and the will of 1.1 billion Chinese people. An ancient saying goes: "The way of government is based on improving people's livelihood as well as stability free of disturbances." Those in power in China today have set their minds on continuous economic development and improvement in people's livelihood, while in administration, they pursue "stability free of disturbances" to ensure prolonged political stability and long-term peace of the state.

The disintegration of the USSR and the changes in the political situation and economic structure in East European countries have enabled China to summarize a

precious experience: A nation's prosperity is based on its economy, and the stability of the state and society is based on people's living standards. Some people from the West and overseas believe that China cannot escape the same fate as the disintegration of the 70-year-old USSR and the disbanding of the CPSU. Actually, this tremendous change did provide the Chinese with some food for thought, and their conclusion is to primarily do a good job of people's livelihood and the economy in a down-to-earth way. As long as all the Chinese people support reform and opening up as well as political stability, they do not have to worry about another round of subversive activities and instigation by the international anti-Chinese forces in the wake of the disintegration of the USSR.

Jiang Zemin Has the Ability for Leadership

At a tea party to mark the 1992 Spring Festival held in Beijing last week, Song Ping remarked: "The CPC is facing many new conditions and problems, which urgently call for in-depth exploration and scientific answers." In addition, he pointed out, "The world situation facing China is complicated; however, China has adhered to its own road in 1991, with the tasks for improvement and rectification initially completed. New progress has been made in the national economy; serious natural disasters have been overcome; a bumper harvest in agriculture has been reaped; social stability has been maintained; people have lived and worked in contentment; and a new breakthrough has been made in foreign relations." From this perspective, China has thus overcome the severe internal and external situation facing it in 1991 and pulled through. Practice has not only tested the correctness of the policy of reform opening up and maintaining stability, but also the solid ability of the CPC third-generation leadership echelon headed by Jiang Zemin.

Facts have given the most eloquent answer. With the failure of the former USSR's reform and the founding of the "Commonwealth of Independent States," the economies, banking, and foreign trade of all republics, including Russia, have all collapsed; goods and materials are nowhere to be found, although prices have gone up 10 times and even 20 times with the lifting of price restrictions. The broad wage-earning strata are pouring out endless complaints of hardship, with people's minds wavering. On the other hand, China is enjoying political stability, social tranquility and peace, nationality solidarity and economic development. China has become an important force for stability of the world situation.

Whoever Refrains From Pursuing Reform Will Have To Leave Office

International politics is extremely realistic and ruthless. China has often made breakthroughs in foreign affairs in recent years, with marked accomplishments in economic development. All this has made the West cancel their policy of isolating China. The fact that Li Peng's current

visit to Europe and participation in the Security Council's summit meeting for 15 heads of state have caught the attention of world opinion is a concrete testimony to the ever-rising position of China in the world.

Against such a backdrop, the series of statements by Deng Xiaoping and Yang Shangkun to encourage greater boldness in reform and opening up during their recent visit to Shenzhen and Zhuhai have promptly pointed out the firm orientation for China during the 1990's and even the 21st century.

"Whoever refrains from pursuing reform will have to leave office" has spelled out what is on the minds of 1.1 billion Chinese people. In other words, there has been testimony to the fact that the reform, opening up, and self-completion and perfection of the socialist structure China has adhered to is the road to the national prosperity. We believe that the CPC National Congress to be convoked late this year will formulate a more practical line and correspondent personnel reform based on the favorable internal and external conditions of China today and the experiences and lessons of the 12-year reform. This will have a far-reaching effect on China in the 21st century.

Yang Urges 'Larger Strides' in Reform in Guangdong

*OW0102140992 Beijing XINHUA in English
1356 GMT 01 Feb 92*

[Text] Guangzhou, February 1 (XINHUA)—China should take larger strides in the policies of reform and opening to the outside world, president Yang Shangkun said today after inspecting Zhuhai and Zhongshan cities during his ongoing tour of Guangdong Province.

While visiting the two cities from January 26 through February 2 Yang emphasized that the whole country should have a stronger determination to continue the policies of reform and opening to the outside world, and should take larger strides to accelerate the country's economic development.

Yang visited enterprises and Sino-foreign joint ventures in the two cities in the company of provincial officials. He also met with some overseas investors.

Yang told local officials that Guangdong should act as the vanguard in the country's march toward economic development. He added that attention should also be paid to the development of the ideological and cultural levels of the local people, while stamping out such decadent phenomena as prostitution, drug abuse and smuggling.

Further on Visit, Remarks

*OW0202023292 Beijing XINHUA Domestic Service
in Chinese 1024 GMT 1 Feb 92*

[By reporter Lei Zhongyu (7191 0112 0056)]

[Text] Guangzhou, 1 Feb (XINHUA)—Following his visit to Shenzhen, President Yang Shangkun went on to

Zhuhai City and Zhongshan City from 26 January to 1 February. Yang Shangkun stressed: We have made substantive achievements in the past 10 years since implementing the policy of reform and opening to the outside world. In the future, while firmly keeping to the line adopted since the Third Plenary Session of the 11th party Central Committee, we should take a bolder approach in reform and opening to the outside world at a bigger and faster pace. Meanwhile, as we pursue economic growth, we should also promote the development of spiritual civilization and improve social practices and customs, thereby securing a favorable social environment for economic construction.

With the Spring Festival around the corner, Yang Shangkun visited factories, enterprises, and construction sites of development zones and new urban areas in Zhuhai City and Zhongshan City on separate occasions, in the company of responsible individuals from the Guangdong Provincial CPC Committee and the provincial government, including Xie Fei, Zhu Senlin, and Guo Rongchang. He extended his New Year greetings and acquired detailed knowledge of the status of economic construction and the development of spiritual civilization. Praising Zhuhai City for pursuing high technology and better economic efficiency in its economic construction, Yang Shangkun affirmed the city's approach and encouraged it to keep up its efforts and strive for greater achievements in the new year.

In Zhuhai City, Yang Shangkun visited the Jianghai Electronics Company Limited, glass fiber plants, and the Chia Tai (Kangdi)-Zhuhai Limited. These companies are either joint ventures with other parts of the country, Sino-foreign cooperative enterprises, or solely foreign-funded. He applauded them for their pioneering spirit, fine-quality products, and high economic efficiency.

The Chia Tai (Kangdi)-Zhuhai Limited is a foreign-funded enterprises formed by the Chia Tai Group from Thailand and the (Kangdi) Group from the United States. The company specializes in the production and marketing of nonsubsidized [quan jia 0356 0116] feed for livestock and poultry. Before visiting the company, Yang Shangkun met with Xie Guomin, president of the Chia Tai Group in Zhuhai. During his tour of the feed company, Yang Shangkun was warmly greeted by Xie Zhengmin, permanent honorary chairman of the Chia Tai Group. Xie Zhengmin said that the Chia Tai Group had made a little contribution to China's four modernizations by investing and setting up 36 enterprises, including the Chia Tai (Kangdi)-Zhuhai Limited. Thanking the company for the welcome he received, Yang Shangkun said: In the past few years, the Chia Tai Group has made great contribution to China's economic development, especially in the production of livestock and poultry, with benefits reaching the food baskets of the people. I hope the cooperation will continue to develop in the future. With high spirits, Yang Shangkun

also visited the construction sites of the Hongwan Development Zone and the Wanzi Hongjing Garden in Zhuhai. He was very interested in reclaiming land from the sea for the two projects. Yang Shangkun told Zhuhai City's responsible individuals that he will make another visit here after the two projects are completed.

In Zhongshan City, Yang Shangkun inspected the construction of the new urban area and visited the Weili Washing Machine Plant which had achieved good results in the campaign of the "Year of Quality, Variety, and Efficiency." In 1991, the Weili Washing Machine Plant was selected as a national first-class enterprise, with annual production output and sales volume exceeding 1 million sets each. For several consecutive years the plant has ranked among the best in the washing machine industry in terms of output, sales volume, economic returns, and foreign exchange earnings. It has also won the title of national outstanding enterprise in ideological and political work. Yang Shangkun praised the plant's experience in paying equal attention to the development of the "material and spiritual civilizations."

During his visit in Guangdong, Yang Shangkun listened to the work reports by the Guangdong provincial party committee and the provincial government. He was very pleased with the developments and changes taking place in Guangdong in the course of reform and opening to the outside world. Yang Shangkun said: Economic development should be quickened in Guangdong and other open coastal provinces, thereby pulling the rest of the country along. While pursuing economic growth, efforts should also be made to curb negative phenomena—such as visiting prostitutes, selling sex, using drugs, gambling, practicing feudalism and superstition, and abducting and selling people—to ensure social stability.

Yang Shangkun also met with some celebrities from Hong Kong and Macao during his stay in Zhuhai City and Zhongshan City.

Also accompanying Yang Shangkun on his tour of Zhuhai City and Zhongshan City were Gu Linfang, vice minister of public security; Liang Guangda, secretary of the Zhuhai City CPC Committee and mayor of Zhuhai; Xie Mingren, secretary of the Zhongshan City CPC Committee; and Tang Bingquan, mayor of Zhongshan.

Leaders' Spring Festival Activities Reported

Deng Arrives in Shanghai

HK0302014592 Hong Kong TA KUNG PAO in Chinese
3 Feb 92 p 2

[Report: "Deng Xiaoping Arrives in Shanghai Yesterday; Will Attend Spring Festival Get-Together"]

[Text] Information from Shanghai says: According to relevant sources, Deng Xiaoping, the general architect of China's reform and opening up, flew to Shanghai from southern China aboard a special plane on 2 February. This will be another Spring Festival that Deng Xiaoping

spends by the Huangpu Jiang. According to those who received him, he is in good health, quick in his reactions, and clear-headed.

It was disclosed that Deng Xiaoping will visit the newly built Nanpu Bridge and attend Shanghai's military-civilian Spring Festival get-together during his stay in Shanghai.

Deng, Yang Mark New Year

*OW0302115392 Beijing Central Television
Program One Network in Mandarin 1100 GMT
3 Feb 92*

[From the "National News Hookup" program]

[Text] Comrades Deng Xiaoping and Yang Shangkun—as well as leading comrades of party, government, and military organizations, and veteran comrades and people of all walks of life—gathered happily together today in Shanghai to greet the Year of the Monkey. [Video shows close-ups of Deng Xiaoping, with his daughter Deng Rong and President Yang Shangkun behind him, shaking hands with Wu Bangguo, secretary of the Shanghai municipal party committee. Deng Rong is heard repeating Wu's remarks to her father, saying: "Comrade Jiang Zemin just called by telephone...." Then Deng Xiaoping is seen shaking hands with Shanghai Mayor Huang Ju. Deng Xiaoping appears healthy; he does walk slowly, with some stiffness.]

When Comrades Deng Xiaoping and Yang Shangkun walked briskly into the meeting hall at this New Year evening of happiness and harmony, they were greeted with warm applause. [Video shows Deng Xiaoping stepping into a bigger room and shaking hands with some elderly people. Then the video cuts to show close-ups of Yang Shangkun in the company of Shanghai Mayor Huang Ju, shaking hands with other elderly comrades in the room. The video then cuts back to show Deng Xiaoping shaking hands with an unidentified woman in her early forties, then shaking hands with other Shanghai officials introduced to him by Secretary Wu Bangguo.]

Wu Bangguo, secretary of the Shanghai Municipal CPC Committee, and Huang Ju, mayor of Shanghai, stepped forward to say that, on behalf of the 13 million people in Shanghai, they wished everyone a happy Spring Festival, health, and long life.

With a smile, Deng Xiaoping and Yang Shangkun said: We wish you a happy Spring Festival. We wish people in Shanghai well.

Then Deng Xiaoping and Yang Shangkun happily walked over to the party, government, and military comrades and veteran comrades; cordially shook their hands; exchanged Spring Festival greetings with them; and had a group picture taken with them. [video shows a group of well wishers waiting in the meeting hall, then cuts to show close-ups of Deng Xiaoping talking to those standing in the front row]

XINHUA on Deng Shanghai Appearance

*OW0302153892 Beijing XINHUA Domestic Service
in Chinese 1155 GMT 3 Feb 92*

[By reporter Chen Maodi (7115 3029 1717): "Deng Xiaoping, Yang Shangkun Celebrate Spring Festival With People From All Walks of Life in Shanghai"—XINHUA headline]

[Text] Shanghai, 3 Feb (XINHUA)—Comrades Deng Xiaoping and Yang Shangkun happily got together with responsible comrades of the municipal party, government, and military organizations, veteran comrades, and people from all walks of life in Shanghai to celebrate the Spring Festival, the Year of Monkey.

On this joyful and harmonious New Year's eve, when Comrades Deng Xiaoping and Yang Shangkun walked briskly into the meeting hall, which was filled with springtime air, they were greeted with thunderous applause. Wu Bangguo, secretary of the Shanghai municipal party committee, and Shanghai Mayor Huang Ju stepped forward and said: "On behalf of the 13 million Shanghai residents, we extend New Year's greetings to you, wishing you a happy Spring Festival and long life!"

With a smile, Deng Xiaoping and Yang Shangkun said: A happy Spring Festival! We wish people in Shanghai well!

Then Deng Xiaoping and Yang Shangkun ebulliently walked to the party, government, and military comrades and veteran comrades, cordially shaking hands and exchanging Spring Festival greetings with them. Deng Xiaoping and Yang Shangkun also had a picture taken with them.

Su Buqing, vice chairman of the National Committee of the Chinese People's Political Consultative Conference, was present at the meeting.

Jiang Addresses Forum

*OW0202013792 Beijing XINHUA Domestic Service
in Chinese 1315 GMT 1 Feb 92*

[By reporter He Ping (0149 1627)]

[Text] Beijing, 1 Feb (XINHUA)—The CPC Central Committee invited the leaders of the central committees of all democratic parties and the All-China Federation of Industry and Commerce and representatives of nonparty personages to a forum at Zhongnanhai this afternoon to celebrate the coming Spring Festival and talk about the old days as well as plans for the future.

Addressing the forum, CPC Central Committee General Secretary Jiang Zemin stressed that in our endeavors to carry out economic construction, reform, and the open policy, promote development of socialist democracy and the system of laws and regulations, and build socialist spiritual civilization and the ruling party, it is necessary

for us to listen to the opinions, suggestions, and criticisms of all the democratic parties, nonparty personages, mass organizations, and personalities of various circles and have everyone offer his or her ideas and measures for joint efforts to successfully handle national affairs.

The forum was chaired by Yao Yilin. Song Ping, Yang Baibing, Wen Jiabao, Peng Chong, and Qian Zhengying attended the forum.

Among the leaders of the central committees of all the democratic parties and the All-China Federation of Industry and Commerce and representatives of nonparty personages who participated in the forum were Qu Wu, Fei Xiaotong, Qian Weichang, Sun Qimeng, Lei Jieqiong, Zhao Puchu, Lu Jiayi, Yang Jike, Yan Jici, Cai Zimin, Wang Guangying, and Cheng Siyuan.

First of all, on behalf of the CPC Central Committee, Jiang Zemin extended sincere greetings to comrades from all the democratic parties and the All-China Federation of Industry and Commerce and nonparty personages and congratulated them in advance on the new, greater contributions they are going to make to the common cause of building socialism with Chinese characteristics in the new year.

After expounding on international and domestic situations to everyone present, Jiang Zemin pointed out: In the past year, China enjoyed political and social stability as well as economic development, and the people of all its nationalities were even more closely united than before. This came about as a result of the the CPC's leadership; unity between the people of all nationalities in China and their hard work; and joint efforts made by all democratic parties and nonparty personages who stood together with the CPC through thick and thin and worked together with the CPC with one heart in times of difficulty. They fully showed the strong cohesive, rallying power of the Chinese nation.

Jiang Zemin said: This year is the second year of our implementation of the 10-Year Program and the "Eighth Five-Year" Plan. We must be correctly familiar with the complicated and changing world situation, fully turn the favorable conditions of political and social stability at home to good account, continue to resolutely implement in an all-around way our party's basic line as well as the guidelines laid down by the Central Working Conference and the Eighth Plenary Session of the 13th CPC Central Committee held in September 1991, and continue to do a good job in handling the three important tasks of promoting economic development, strengthening party building, and maintaining social stability. It is necessary for us to further deepen reform and open our doors wider to the outside world so that we may maintain sustained, steady, and coordinated national economic development; propagandize our party's basic line and promote building socialist spiritual civilization in an all-around way; maintain political and social stability in a down-to-earth manner and conscientiously do a good job of taking comprehensive measures to maintain public

order; consolidate and expand the broadest patriotic united front in a bid to promote great unity among all nationalities as well as the great cause of peaceful reunification of the motherland; actively promote foreign affairs work to consolidate and develop an international environment that is even more favorable for China; and persist in being strict with party members to strengthen party building in an all-around way.

Jiang Zemin expressed the hope that all of us will continue to exert ourselves, cooperate closely with each other, be dedicated heart and soul to the same cause, make joint efforts to draw up a blueprint for socialist modernization, and greet the opening of the 14th National Party Congress of the CPC with outstanding achievements in the new year.

Qu Wu, Fei Xiaotong, Lei Jieqiong, Lu Jiayi, and Wang Guangying also spoke at the forum.

Jiang Minkuan, Wan Shaofen, Wu Lianyuan, and Liu Yandong, deputy directors of the United Front Work Department of the CPC Central Committee, also participated in the forum.

Jiang Zemin Message Carried

OW0302061292 Beijing XINHUA Domestic Service
in Chinese 0156 GMT 3 Feb 92

["Text" of message by CPC Central Committee General Secretary Jiang Zemin in LIAOWANG No. 5 and LIAOWANG OVERSEAS EDITION No. 5: "Lunar New Year Greetings by Jiang Zemin"]

[Text] Beijing, 3 Feb (XINHUA)—With the beginning of a new year, spring returns to the earth. As the Year of the Monkey approaches, I extend, from the bottom of my heart, New Year greetings through the weekly LIAOWANG to compatriots and friends abroad and wish you a happy new year and satisfaction in work.

The just-ended year of 1991 was an unusual year. In the rapidly changing international situation and in conditions under which some parts of the country suffered from serious floods, Chinese people of various nationalities have worked hard in unity and have made new achievements in construction and reform. Political stability, national unity, economic development, and social progress prevail in China; people live and work in peace and contentment, and various undertakings are thriving. Our country has brought about a new situation in diplomatic work by further consolidating and developing friendly and cooperative relations with surrounding and other developing countries and by noticeably improving relations with developed countries. Our country plays an important role in international affairs.

Looking forward to the new year, we are faced with ever more glorious yet arduous tasks. We should further emancipate our minds, seek truth from facts, quicken the pace of reform, deepen the reform of the economic and

political structures, and promote rapid economic development, all-around social progress, and the consolidation and improvement of the socialist system. At the same time, we should open still wider to the outside world in various fields, continue to improve the investment environment, and promote foreign trade and economic and technological exchanges with foreign countries. In the new year, we will uphold our independent foreign policy of peace, continue to develop friendly relations with all countries in the world on the Five Principles of Peaceful Coexistence, and work together with the people of various countries to make a due contribution to promoting world peace and development and establishing a just and rational international order.

"On festive occasions more than ever we think of our dear ones far away." As the Spring Festival approaches, we think especially of our compatriots in Taiwan, Hong Kong, and Macao, as well as Overseas Chinese. It is the common demand of sons and daughters of the Chinese nation at home and abroad to safeguard the unification of the motherland and revitalize the Chinese nation. We have solved the questions of returning Hong Kong and Macao to the motherland within this century in accordance with the principles of "peaceful reunification and one country, two systems." We should continue to work hard to develop economic, trade, scientific and technological, and cultural exchanges between the two sides of the Taiwan Strait and strive to accomplish the great cause of reunifying the motherland at an early date.

The Chinese nation, which accounts for one-fourth of the world population, is a great nation with a long history and splendid culture. We deeply believe that through the concerted and arduous efforts of our compatriots at home and abroad, the future of the Chinese nation will become ever brighter.

Greets Xinjiang People

OW0202045592 Urumqi Xinjiang Television Network
in Mandarin 1655 GMT 1 Feb 92

[From the "Xinjiang News" program]

[Text] At 0710 [2310 GMT] on 31 January General Secretary Jiang Zemin made a phone call from the capital of Beijing to the home of Tomur Dawamat, chairman of the Xinjiang Autonomous Region. He asked the chairman to relay his regards and Spring Festival greetings to the people of all nationalities in Xinjiang.

General Secretary Jiang Zemin also showed his concern by inquiring about the supply of commodities during the coming Spring Festival in Xinjiang. Tomur Dawamat answered his questions one by one. When he learned that Comrade Tomur Dawamat had been resting at home because of the flu, General Secretary Jiang Zemin urged him to take a good rest, receive medical care as soon as possible, and recover quickly.

Li Peng Extends Greetings

OW0302070792 Beijing XINHUA in English
0648 GMT 3 Feb 92

[Text] Lisbon, February 2 (XINHUA)—Visiting Chinese Premier Li Peng today extended his greetings to his countrymen both at home and abroad on the eve of the new lunar year.

The Chinese Lunar New Year, the Year of the Monkey, begins on February 4.

Speaking at the Chinese Embassy here tonight, Li said what impressed him most during his trip to Europe and the United Nations Headquarters in New York was that China was not isolated in the world.

"Wherever we go, we met warm welcome from people of all walks of life," Li said, adding "we have friends all over the world."

He reaffirmed that China would continue building a socialist society with Chinese characteristics.

After his speech, Li led those present on the occasion to sing the song "Unity Is Strength."

Present at the embassy party were Chinese Embassy staff, Chinese experts working in Portugal and Chinese student representatives.

Song Ping, Others at Grass-Roots Units

OW0102212192 Beijing XINHUA Domestic Service
in Chinese 1208 GMT 1 Feb 92

[Text] Beijing, 1 Feb (XINHUA)— Yao Yilin, Song Ping, Li Ruihuan and some other party and state leaders separately visited the Vegetable Research Center of the Beijing Institute of Agriculture and Forestry, Xiangtang in Changping County, and the Beijing Television Art Center this morning. They called on workers, peasants, scientific researchers, and literary and art workers there and extended their Spring Festival greetings to the latter.

At the Vegetable Research Center of the Beijing Municipal Institute of Agriculture and Forestry, Comrades Yao Yilin, Li Ximing, and Song Jian viewed an exhibition of a vegetable-growing project, a greenhouse that cultivates plants without using soil, and a mechanized seedling-growing greenhouse and held discussions with some scientific researchers. Over the last several years, the Vegetable Research Center, located at Banjing in Beijing's western suburbs, has persistently reformed its scientific research management, considered the needs of grass-roots units and the market, set up 14 demonstration stations and technical service stations in 10 suburban counties and districts, put the results of 38 scientific research projects to use in Beijing and across the country, and created social and economic benefits worth more than 300 million yuan. Pleased by the center's success of applying science in preserving the freshness of cabbage and in increasing Beijing's fruit production, Yao Yilin said: What you have done has a great bearing on

the people's day-to-day life. He called on the center to make new contributions to increasing vegetable production and improving the people's livelihood in the new year by stepping up scientific research and applying the research results. He also urged it to help enhance our country's progress in the course of reform and opening to the outside world.

Song Ping, Zou Jiahua, Chen Xitong, and Chen Junsheng extended their Spring Festival greetings to the peasants at Xiangtang in Changping County. The village at the foot of the Yanshan is an old revolutionary base where the people used to be poor. Now, the village has set up agricultural, pig, and chicken farms, a forestry team, and 14 enterprises. Zhang Wenshan, secretary of the village party general branch, told Comrade Song Ping that the 1991 total industrial and agricultural income of the village exceeded 59.36 million yuan, or 1,400 yuan per capita. Song Ping was pleased and praised the village for considering local reality in economic development. He said: To develop themselves, the rural areas should do well in industry, sideline production, forestry, fruit production, and animal husbandry in addition to paying attention to grain production. Village factories should pay attention to improving working conditions, carry out technological transformation, and improve the quality of their products. Comrade Song Ping and other leaders zealously visited the village nursing home and kindergarten. Song Ping said: You have ensured that both old people and children are well taken care of, and you have achieved a common prosperity, showing that the party's policies have popular support and that the socialist system is superior. He said that the party's policies will be well implemented if the party members play an exemplary role. He also said: There are not many places in China that have reached your level of economic development. The responsible person of the village party general branch told Song Ping that the village is cooperating with another mountain village and has helped the latter improve its situation. Song Ping said with a smile: "Very good." The leaders visited the families of peasants Zhu Lichang and Zhu Guangxun and wished them a happy Chinese New Year, as well as happiness in their old age and in their families.

At the Beijing Television Center, Li Ruihuan, Li Tiejing, and Wang Bingqian met with young television workers. Some films of great influence—such as "A Four-Generation Family," "Li Dazhao," and "Longing"—were made in that simple and crude studio, located in Beijing's western suburbs. The responsible person of the center briefed the leading comrades on their achievements and difficulties in recent years, as well as their present plans. Li Ruihuan and other leading comrades praised the center for having displayed a spirit of hard struggle since its founding nine years ago and for having overcome difficulties and produced a number of excellent popular films. Li Ruihuan said: A hard environment makes people's work difficult, but sometimes it also creates miracles. Advocating thrifty and hard work is a virtue of the Chinese nation. Thrifty and hard work

meet the current needs of our country, and they are also a key to the success of this television art center.

At the construction site of Beijing subway's Xidan station, Wu Xueqian, Zhu Rongji, and Wen Jiabao saluted the workers working underground there. The Xidan station is being built with a closed tunneling technique, a technique being applied in China for the first time. The traffic is not affected on the road above while the workers are working hard day and night down below, building many piping systems and doing a difficult and highly risky job. They are striving to complete the main part of the project by June, so a dry run can be conducted on National Day this year. Wu Xueqian and other leaders thanked the workers for working hard to improve Beijing's transportation and wished them successful completion of the job on schedule. The leaders cordially saluted the workers in the subway tunnel and posed for a group photo with some model workers on the platform to mark the occasion. Wu Xueqian and other leaders then visited the Huaiboshu unsafe-housing reconstruction project in Xuanwu District. They successively called on three families and congratulated them upon their moving into new houses.

The leading comrades of the Central Military Commission Liu Huaqing, Yang Baibing, Qin Jiwei, Chi Haotian, and Zhan Nanqi visited the officers and men and scientific and technological personnel of Army, naval and Air Force units in Beijing. On behalf of Chairman Jiang Zemin and Vice Chairman Yang Shangkun of the Central Military Commission, they extended their Spring Festival greetings to the cadres, fighters, workers, and their families of those units.

Liu Huaqing and other leading comrades of the Central Military Commission first visited a long-distance telephone station of the People's Liberation Army [PLA]. A spare-time women's band from the station played "Osmanthus Sheds Fragrance in August" and other music numbers to entertain the leading comrades, and the officers and men celebrated the Spring Festival together. In the telephone exchange room, the leading comrades then talked over the phone with the officers and men of some grass-roots units of a border defense regiment in the Karakorum Shan region and a naval lookout post in the southeast coastal region. Knowing that life on the border and coastal posts is hard, the leaders wished the officers and men a happy Chinese New Year. The leading comrades also called on the scientific and technological personnel at a naval research institute. In recent years, the institute has completed 70 scientific research projects and won 34 science awards from both the state and the PLA. Liu Huaqing told the scientific and technological personnel that the Central Military Commission is greatly concerned about the intellectuals working for the Armed Forces. He urged them to contribute all their knowledge and ability to the building of revolutionary, modern, and regular armed forces with Chinese characteristics. The leading comrades of the Central Military Commission next visited an Air Force company-level unit that in recent years has

been selected as an advanced unit of the Air Force in the campaign to learn from Lei Feng and visited an advanced unit in the grassroots Army-building program. Liu Huaqing and other leading comrades cordially chatted with the fighters in the barracks and inquired in detail about their military training, political education, everyday life, and welfare. The leaders also wished the fighters greater success in the new year and urged them to live up to the expectations of the party and the people.

Wan Li Attends Zhejiang Gathering

OW0202122492 Beijing XINHUA Domestic Service in Chinese 1009 GMT 2 Feb 92

[Text] Hangzhou, 2 Feb (XINHUA)—Wan Li, chairman of the Standing Committee of the National People's Congress, attended a Spring Festival get-together in Zhejiang today. He extended festive greetings to all participants, hoping that, under a new situation of speeding up reform and opening up, Zhejiang will achieve even greater success in the new year.

Jiang Hua, Wang Fang, Lu Zhengcao, and others also attended the get-together.

Li Peng Inscribes RENMIN RIBAO Special Issues

OW0302024192 Beijing XINHUA Domestic Service in Chinese 2109 GMT 2 Feb 92

[Text] Beijing, 3 Feb (XINHUA)—"RENMIN RIBAO Overseas Edition" will publish two eight-page special Spring Festival issues to celebrate the Spring Festival in the year of Ren [the ninth of the ten heavenly stems in the Chinese lunar calendar] Shen [the ninth of the twelve earthly branches in the Chinese lunar calendar]. The special issues will contain inscriptions by State Council Premier Li Peng wishing our friends overseas a Happy Chinese Lunar New Year.

Premier Li Peng's inscriptions read: "Hoping the Spring Festival will bring good luck and happiness of the entire family to our compatriots, friends, and students overseas and to our compatriots in Taiwan, Hong Kong, and Macao, and may everything turn out as they wish in the Spring Festival."

The special issue dated 4 February will carry the inscriptions by Jiangsu Province Governor Chen Huanyou and Anhui Province Governor Fu Xishou expressing thanks to compatriots in Hong Kong, Macao, and Taiwan and to Overseas Chinese and international friends for the enthusiastic support they provided at a time when the two provinces were afflicted with serious flood disasters. Their inscriptions will be published under a headline of greetings from the disaster areas.

The special issue dated 5 February will carry Spring Festival greetings from Comrades Li Tieying, Qian Qichen, Zhu Muzhi, Wang Zhaoguo, and Lu Ping. The special issue will contain a "page for students studying abroad," and a letter written by Li Tieying, state councillor and minister of the State Education Commission,

to convey regards and solicitude to personnel studying abroad on the occasion of the Spring Festival.

Prohibitions on Banquets, Gifts

OW3101135692 Beijing XINHUA in English 1330 GMT 31 Jan 92

[Text] Beijing, January 31 (XINHUA)—The Central Commission for Discipline Inspection of the Chinese Communist Party today called on party committees and discipline inspection committees at all levels to prevent such abuses as giving banquets or presenting gifts with public money.

A circular issued by the commission orders administrations at all levels to outlaw these malpractices and other unhealthy tendencies, as the key task in the new efforts for the construction of the Chinese Communist Party and clean government.

Daily on Investigation of Teachers, Students

HK3101072092 Beijing RENMIN RIBAO in Chinese 25 Jan 92 pp 1, 3

[By Gao Zhengyan (7559 2973 6056) and Gong Dafa (7895 6671 4099): "Working Committee for Institutions of Higher Learning of Hubei Provincial CPC Committee Conducts In-depth Investigation and Study, Explores New Ideas of Ideological and Political Work in Institutions of Higher Learning"]

[Text] Wuhan (RENMIN RIBAO)—What is the ideological state of the institutions of higher learning? How do we appraise the contemporary undergraduates? How do we effectively improve the ideological and political work in the institutions of higher learning? In the face of a large number of problems which remain to be solved, comrades in charge of the working committee for the institutions of higher learning of Hubei Provincial CPC Committee and of all institutions of higher learning in Wuhan have studied the gist of rural investigation conducted by Mao Zedong in those years, gone among the students to conduct arduous, meticulous, and careful investigation, and explored the new ideas of the ideological and political work in the institutions of higher learning.

After the political trouble in the period when spring was changing into summer in 1989, the ideological education in the institutions of higher learning caused concern of the whole society. Stepping up and improving the ideological and political work in the institutions of higher learning is a huge systems engineering, whose prerequisite is to find about the situation of the operation of the work system and the ideological state of the work targets. In the last two years, with stepping up and improving the ideological and political work in the institutions of higher learning as the center, the working committee for the institutions of higher learning of Hubei Provincial CPC Committee has organized some 30 colleges and

universities in Wuhan to successively carry on investigation of the political and ideological state of the undergraduates and its law of development and large-scale special subject investigation and study. This includes investigation of the building of the classes and collectives of the students and investigation of the building of the ranks of the young teachers.

These several investigations have been participated in by comrades in charge of the working committee for the institutions of higher learning and organ cadres and successively by approximately 1,000 cadres and teachers of over 30 universities. Of them, over 100 people are school leading cadres. The targets of investigation are some 1,400 teachers and students of different courses and professions and some 100 classes of students. They began with dissecting "cells" and put in "heavy labor" to keep abreast of the actual situation. For instance, in investigating the ideological situation of the undergraduates, all institutions of higher learning organized approximately 600 political work cadres and teachers, who took over four months and adopted the method of one to one or two to one, to sincerely make friends with 400 students who were the targets of investigation and to encourage them to frankly tell the truth, look back on the course of their growth, analyze all factors that affected their ideology and behavior, and state their views on school education and ideological and political work without reservation. Each of the comrades participating in investigation, on average, held heart-to-heart talks with students more than 10 times and over 50 times at most. To clearly understand the actual ideology of students, some teachers received the students at the formers' homes and held heart-to-heart talks with them for several consecutive days. In addition, investigators also went a long way to visit students' parents and the middle and primary schools where the students studied before, to find out the effect of family education and middle and primary school education on the undergraduates. Through arduous and meticulous education, the investigators found out not only the different manifestations of the undergraduates in the 1989 political trouble and the track of their ideological development but also the channels through which, the forms in which, and degrees at which school education and social factors affected the students' ideology and behavior so as to enable the educators to correctly understand the students.

Having read a student's account in his own words, a university president said with tears in his eyes: "It is like a mirror, which not only reveals the inner world of the students but also reflects the success and failure in our education work. When we reconsider our work, we deeply feel the importance of our responsibility." Statistics disclose that through the three investigations as mentioned above, the investigators got some 1,000 copies of "raw and vivid" materials on the ideological state of the teachers and students, totaling 7 million characters. Having been summed up, analyzed, and selected, these materials become valuable firsthand data

for studying the ideological and political work of the institutions of higher learning. Investigation can be likened to a "10-month pregnancy" and the solution of problems to the "moment of parturition." In the course of investigation, the working committee for the institutions of higher learning of Hubei Provincial CPC Committee has exceedingly stressed in-depth and meticulous ideological work, turned the process of investigation and study into the process of ideological transformation, and speeded up progress in the actual work. In investigating the undergraduates, not only have some students whose manifestations were bad in the turmoil made progress at different degrees, but also 30 percent of the students who were investigated have applied for party membership. In the course of investigating young teachers, all schools have organized 3,000 young teachers to go to grass-roots units to be tempered so as to improve the political and professional quality of the young teachers.

In the last two years, in the wake of continuous in-depth investigation and unremitting digestion and application of the achievements in investigation and study, an ideological and political education engineering with the characteristics of the institutions of higher learning has been gradually built up. The comrades in charge of the working committee for the institutions of higher learning of Hubei Provincial CPC Committee have summed it up as the "138 engineering," namely: one objective—cultivating the builders of and successors to the socialist cause with all-round moral and intellectual education and physical culture; three systems—the education system with political and theoretical lessons as the main channel; the practical system with military training, social practice, and practice teaching as the main form, and the system of cultivation with strengthened management and a better campus environment as the key point; eight pillars—school party and administration leadership, political work cadres, political and theoretical lessons teachers, specialized lessons teachers, mass organizations and Communist Youth League [CYL], backbone elements of students, teaching bases inside and outside schools, and all kinds of social forces. According to the system of this engineering, a series of fundamental work has greatly improved the state of the schools' weak ideological and political work. It is, first of all, aimed at the ideological problem deep among teachers and students that was discovered during investigation, and specialists of some institutions of higher learning who are engaged in the study of Marxist theory are organized to carry out the study of special subjects and to tackle difficult problems, and they have written a large number of persuasive theoretical articles and teaching materials. Young teachers who are engaged in research in political theoretical education have intensified the study of the original works of Marxism and Leninism and participated in basic training, including social practice, thus forming the middle-aged and young theoretical forces with 115 doctors and masters as the backbone elements. The building of the grass-roots party branches and the building of the classes and groups of students has been vigorously strengthened. While the building of the forces

of class masters and instructors is strengthened, the ideological building of the forces of the teachers in specialized lessons has been strengthened, the system of responsibility for education has been universally implemented, and a large number of advanced typical examples in education has emerged. The spiritual outlook of the teachers and students of the institutions of higher learning in Wuhan now shows a tendency toward upward development: 40 percent of the students have participated in the study groups of Marxism-Leninism-Mao Zedong Thought, and 20 percent of the students have submitted applications for party membership.

Commentator's Article

HK3101080292 Beijing RENMIN RIBAO in Chinese
25 Jan 92 p 1

[Commentator's article: "Begin With Firsthand Materials Obtained"]

[Text] To strengthen and improve ideological and political work, over the past two years, the working committee for the institutions of higher learning of Hubei Provincial CPC Committee and colleges and universities in Wuhan have begun with systematic investigation and study, and the firsthand materials obtained have achieved marked results and created a new situation in the ideological and political work of the schools. Their exploration has enlightened people.

Attaching importance to investigation and study is an excellent tradition of our party. Comrade Mao Zedong said: "Can you not solve that problem? You must then go to investigate the state of that problem and its history! After you completely understand it through investigation, you can then solve that problem." In the past, it was through beginning with investigation and study that we correctly solved the difficult problems one by one in the course of revolution and construction. Today, we have won success in socialist modernization construction and the cause of reform and it is even more necessary to carry out investigation and study in order to reduce mistakes. As the situation we are facing is very complicated and many things are involved in a large area, it is no doubt difficult and complicated to do a good job in investigation and study. So far as the young students' ideological and political work is concerned, the situation that we face is complicated, all kinds of influence and factors are interwoven, and there are many new problems that we have never met before. If we do not penetratingly, meticulously, and comparatively systematically investigate and study the target of work—young students, and all kinds of influence and factors in the course of their growth—we can hardly work with a definite object in view and achieve the desired results.

To really understand the young students and to really know all factors that affect their ideology: 1) We must, like the comrades of the working committee for the institutions of higher learning of Hubei Provincial CPC

Committee and colleges and universities in Wuhan, put in "heavy labor," go deep among the students and families and to society and conduct omnidirectional and particular investigation and study of the channels, forms, and degrees of the students' ideology and behavior; 2) We must regard the young students as our friends and enthusiastically and frankly tell the truth and on the basis of "intimacy," give them positive and upward ideological guidance, and turn the process of investigation into the process of ideological work; 3) Through acquainting ourselves with the ideological realities of the students, we must reconsider our work and sum up gain and loss to benefit.

After two years' practice, the working committee for the institutions of higher learning of Hubei Provincial CPC Committee and colleges and universities in Wuhan have initially found out a set of methods of ideological and political education with the characteristics of the institutions of higher learning and effected positive changes in the spiritual outlook of the teachers and students of the institutions of higher learning. If the leading comrades of all fronts comply with the demands for "changing the style of work and working hard" as put forth by Comrade Jiang Zemin, conduct in-depth investigation and study, and begin with the fundamental work in a down-to-earth manner, we can then make new achievements in all causes and all aspects of work in the coming year.

Military

Commentator's Article on Building Reserve Forces

HK2901085592 Beijing JIEFANGJUN BAO in Chinese
9 Jan 92 p 1

[Commentator's article: "Strive To Build Strong National Defense Reserve Forces With Chinese Characteristics"]

[Text] In 1991, under the leadership of the party Central Committee, the State Council, and the Central Military Commission, China made marked achievements and effective results in building national defense reserve forces. From now on we should make persistent efforts to build strong national defense reserve forces with Chinese characteristics under the instructions of the party Central Committee, the State Council, and the Central Military Commission in the course of speeding up economic development and forming a highly trained Army.

Building a highly trained Army and strong reserve forces along with national defense modernization is the basic principle of the country in strengthening the Armed Forces. This principle portrays the development trend of the world armed forces and also corresponds with China's national conditions. It should be implemented for a long time.

In this new historical period, national defense reserve forces with the militia as the main body still remain

important strategic forces safeguarding national security and social stability. The world strategic pattern is undergoing a major change at present. Peace and development are still the main aspects of the present-day world, but the cause of war has not been removed and the danger of local wars still exists. To defend the socialist system and guarantee the smooth carrying out of reform and opening up, we should possess a highly trained Army and strong national defense reserve forces under absolute party leadership. A standing army and defense reserve forces constitute the basic factors for national defense modernization. Without reserve forces, national defense will be incomplete and unconsolidated, even though there is a standing army. We should use the instructions of the party Central Committee to unify our ideas and should put the construction of national defense reserve forces during this new period in a strategic position.

We are exercising a positive defense military strategy. In future anti-aggressive war, we will still persist in the people's war. In the present-day world, weapons and equipment are taking on a hi-tech nature in their development. We should pay close attention to this new trend in the military field. How to persist in the people's war under hi-tech conditions is a new subject for us to study and probe in theory and practice. Dialectical materialism suggests that a weapon should be controlled by man no matter how advanced it is. A man with a high degree of political consciousness who knows modern military technology is the decisive factor in war. In the relations between man and weapons, we should oppose the "theory that weapons alone decide the outcome of war" and the wrong view that "people's war is outdated." We should also overcome the one-sided understanding which belittles the major role of science and technology in the military field. The continuous development of science and technology has set higher demands for man's quality. Man's mastery and application of science and technology will produce a major impact on the outcome of war. Therefore, we should improve the militia's political, military, scientific, and cultural quality. In the meantime, we should improve the militia's weapons and equipment according to our capacity so they will coordinate with the modernization of the standing army and conform with the requirements of the people's war under hi-tech conditions.

Building strong national defense reserve forces with an adequate number, high quality, quick action, and a complete mechanism is a long-term strategic task for the entire party and Armed Forces to fulfill. Since the Third Plenary Session of the 11th CPC Central Committee, China's national defense reserve forces have made much progress and laid down a good foundation as a result of seriously implementing the policies and principles of the party Central Committee and Central Military Commission. At present, we should rely on the instructions of the Central Committee in propagating the idea about the people's war and in improving our understanding of the militia's role and position. We should pay attention to qualitative improvement, strengthen the political formation and military training of the militia and reserve

forces, ensure that the militia and reserve forces will remain under absolute party leadership forever, and fulfill Comrade Mao Zedong's requirements that militia work should be carried through organizationally, politically, and militarily and that they must be ready to assemble at the first call and be capable of fighting and winning. We should bring into full play the role of the militia and reserve forces, should make contributions to defending national security, safeguarding social stability, and promoting socialist material and spiritual civilizations, and should enhance the construction of national defense reserve forces to a new level.

Editorial Praises Double-Support Work Cities

HK3001030892 Beijing JIEFANGJUN BAO
in Chinese 17 Jan 92 pp 1, 4

[Editorial: "Further Create New Situation of Unity Between Army and Government and Between Army and People"]

[Text] A year has elapsed since the double-support work meeting in January last year. On this occasion, the national leadership group for double-support work, the Ministry of Civil Affairs, and the General Political Department yesterday held a joint national meeting to confer the title of model double-support cities (counties). Jiang Zemin, general secretary of the CPC Central Committee and chairman of the Central Military Commission, who was inspecting work in other localities, phoned the meeting to express his congratulations. Leading comrades such as President Yang Shangkun met all the representatives participating at the meeting, and Premier Li Peng made an important speech. This was a big event in the history of double-support work in our country. The meeting reviewed the achievements in double-support work in the country and further mobilized the effort to create a new situation of unity between the Army and the government and between the Army and the people. The people's soldiers deeply feel the people's love and warmly congratulate the country's 39 model double-support cities (counties). We sincerely thank local party committees at various levels, local governments, and people of various nationalities throughout the country for their support in the construction of the People's Army!

Our good tradition is to support the Army, give preferential treatment to the families of servicemen and martyrs, support the government, and love the people. The double-support function, which began in the Yanan period, played a great role in strengthening unity between the Army and the government and between the Army and the people, in winning victory in the revolutionary war, and in promoting socialist revolution and construction undertakings. Since the new historical period, under careful cultivation by the party, the government, the Army, and people of various nationalities, this flower of revolutionary tradition has blossomed even more splendidly. In particular, since the national

double-support work meeting in January last year, soldiers and people throughout the country have seriously implemented a series of important instructions passed by the CPC Central Committee, the State Council, and the Central Military Commission and brought double-support work to a new stage. This has manifested itself first among leading party, government, and military organizations at various levels as they earnestly strengthened leadership over the work and to which they attached an unprecedented degree of importance. In the central government, various provinces, autonomous regions, and municipalities, leadership groups for double-support work have been established, and offices have been reinforced and strengthened. Departments are grasping the matter very firmly, and the leadership at various levels has truly put double-support work on the agenda. The touching scene of using unity between the Army and the government to stimulate unity between the Army and the people, and using unity between the Army and the people to promote unity between the Army and the government can be seen everywhere. The huge strength formed by unity between the Army and the government and between the Army and the people has been fully illustrated in the face of the rapidly changing international situation and in overcoming various difficulties in the country, especially the struggle against freak floods. During the practice of double-support work, besides joint efforts by the Army and people in construction, we now have explored a positive and effectively beneficial measure of establishing model double-support cities (counties). Responding to General Secretary Jiang Zemin's demand to "breathe together, join our fates together, and link our hearts together," and under the leadership of local CPC committees and governments, the broad masses of soldiers and people have taken the tradition of supporting the Army, giving preferential treatment to families of servicemen and martyrs, supporting the government, and loving the people as the basic content. They have taken work in strengthening unity between the Army and the government and between the Army and the people, and in promoting socialist modernization construction as the basic goal; have integrated material civilization construction with spiritual civilization construction, as well as integrating the work in fostering a close tie between the Army and the government and between the Army and the people with work to promote economic construction and social development; and they have fully aroused enthusiasm in society and developed double-support work in a regularized, socialized, and institutionalized direction. In active double-support work, soldiers "treat the people as if they are their parents and their garrison station as their home town," while the local people "treat the Army as the Great Wall and soldiers as their relatives." The Army and the government join hands and the Army and the people join hands to work hard together, enabling the overall standard of double-support work to continually improve.

It is a long-term strategic duty to do double-support work well and to enhance unity between the Army and the

government and between the Army and the people. To enable this work to develop to a new depth and width, it is necessary to understand its significance from the strategic plain of social stability, national invigoration, and lasting peace in the country. We should perceive that whether we are on a battlefield full of gunfire or in a struggle without gun smoke, unity between the Army and the government and between the Army and the people is a secret weapon ensuring victory, a source of strength, and the basis of superiority. The remaining few years of this century will be a crucial period for the socialist construction and development of our country. With the international situation rapidly changing and when there is external pressure and internal difficulties, while overcoming the difficulties and obstacles along the road as we advance, consolidating the socialist system, safeguarding multinational unity, promoting a stable development of the Army and the state, developing economic construction, and realizing the blueprints of the Eighth Five-Year Plan and the 10-Year Program, we must, as we resolutely implement the party's basic line of "one center, two basic points," do further double-support work well, develop the strong point of unity between the Army and the government and between the Army and the people, and form huge and all-conquering spiritual and material forces. "When the Army and the people are united as one, who in the world can fight them?" When the Army, the government, and the people work together in unity, they can better create wealth for the people, strengthen the country's defenses, advance the nation's civilization, and effectively build socialism with Chinese characteristics.

History and reality have repeatedly proven that in war, when the Army won, the people were their backup; in peace, when the Army wanted to be strong, the people were also their backup. To enable our Army to forever maintain the political feature of a people's army and their invincibility, the principle of Army-government and Army-people unity must always be upheld and work supporting the government and loving the people must be done better. In any time and situation, we must resolutely implement the demands raised by the CPC Central Committee and the Central Military Commission and consciously "love the people, learn from the people, and serve the people." The more the party and people trust the Army, the more the Army should become the loyal defender of the people's interest and allow them to relax; the more local governments and people love the Army, the more the Army should become humble and prudent and respect them; the more the local governments and people care for and support Army building, the more the Army should understand the difficulties faced by the state and people and try its best to overcome difficulties through its own efforts; and the more local governments and people cherish the Army, the more the Army should abide by the law and establish the image of a civilized force.

"A flower blossoms inducing ten thousand flowers to blossom." After 10 cities (counties) received the title of

model double-support cities last year, another 39 cities (counties) joined the ranks this year. This model group, which emerged in our country's double-support work, will play a great exemplary and promotional role in the whole country's double-support work. As the easterly wind of the national meeting on conferring the title of model double-support cities (counties) blows, we must take the opportunity to seriously study and implement the instructions of the CPC Central Committee, the State Council, and the Central Military Commission; we must sum up experiences, develop results, firmly grasp implementation, more profoundly and solidly develop double-support work, and raise it to a new level!

We wish the flower of double-support work to blossom ever more splendidly!

Yang Rudai Addresses Double-Support Conference

HK3101151292 Chengdu Sichuan People's Radio Network in Mandarin 2300 GMT 27 Jan 92

[Text] The Sichuan provincial conference on naming model double-support cities, counties, and districts was solemnly held in Chengdu's Jingcheng Art Hall yesterday morning.

At the conference, Zhang Haoruo, provincial double-support leading group leader and provincial governor, read out a decision made jointly by the provincial party committee, government, and military district on commending model cities, counties, and districts excelling in the work of supporting the Army and providing preferential treatment to the families of revolutionary servicemen and martyrs as well as supporting the government and cherishing the people [double-support work].

Zhang Haoruo named a total of 14 cities, counties, and districts, including Daxian, Dayi County, and Jinyou District of Chengdu, model double-support cities, counties, and districts and conferred certificates of merit on them.

Lieutenant General Ma Bingchen, deputy commander of the Chengdu Military Region, delivered a speech in which he pointed out: The conference is a major event in the political life of the servicemen and people across the province and symbolizes both a new development of Sichuan's double-support work and notable achievements scored by Sichuan's servicemen and people, who have joined hands and made concerted efforts, in building model double-support cities.

Vice Governor Luo Tongda relayed the spirit of a speech delivered by Premier Li Peng at a national conference on naming model double-support cities and counties.

On behalf of the provincial party committee, government, and military district, Yang Rudai, secretary of the Sichuan provincial party committee, delivered a speech in which he expounded the importance and significance of the double-support work, reviewed the important role played by the double-support work in Sichuan's socialist

revolution and construction cause, and gave important instructions on how to successfully carry out the double-support work and promote a sustained and in-depth double-support work development.

Quan Shuren Addresses Double-Support Forum

SK2901074092 Shenyang Liaoning People's Radio Network in Mandarin 1030 GMT 27 Jan 92

[Text] On the afternoon of 27 January, the province and the Shenyang Military Region jointly sponsored an Army-government forum, at which the leading personnel of the People's Liberation Army [PLA] units and the provincial level organs happily got together to chat cheerfully of the friendship between the Army and the government and between the Army and the people and to jointly discuss the major plans for supporting the Army and giving preferential treatment to servicemen's families as well as for supporting the government and cherishing the people.

Attending the forum were the leading personnel of the provincial level organs and veteran comrades, including Quan Shuren, Yue Qifeng, Guo Feng, Dai Suli, Li Tao, Wang Guangzhong, Xu Shaofu, Shang Wen, Ge Xifan, Xu Wencai, and Chen Suzhi; as well as the leading comrades of the Shenyang Military Region, including Liu Jingsong, Song Keda, Tong Baocun, Dai Xuejiang, Ai Weiren, Zhang Wu, Cheng Zemin, (He Youfa), Wu Jiamin, Huang Jianhong, Ma Ying, Cai Gongjie, Ma Chi, (Li Liping), and Ma Shenglin.

Chen Suzhi, vice governor of the province, presided over the forum, during which, Ma Shenglin, member of the provincial party Standing Committee and political commissar of the Liaoning provincial military district, first delivered a report on the work done by the province last year in supporting the army and giving preferential treatment to servicemen's families as well as supporting the government and cherishing the people.

During the forum, Quan Shuren, secretary of the provincial party committee, delivered a speech in which he, on behalf of the people throughout the province, first extended festive greetings to the organs under the Shenyang Military Region and the commanders and fighters of the PLA units stationed in the province. Quan Shuren stated that our province scored certain achievements in various fields of work last year, which cannot be separated from the vigorous support given by the officers and soldiers of the PLA units stationed in the province. He hoped that hereafter, both the PLA units and local governments should continuously make efforts and improve the province's work in this regard to a better extent.

In his speech, Quan Shuren also informed the comrades of the PLA units of the province's 1991 industrial situation, agriculture, and party building.

During the forum, Song Keda, political commissar of the Shenyang Military Region, also delivered a speech in

which he stated that hereafter, we should continuously and actively support local construction and vigorously develop the relationship between the Army and the government and between the Army and the people.

During the forum, Governor Yue Qifeng also delivered a speech on conducting reforms this year. He urged the Shenyang Military Region to give vigorous support to reform in the future.

Liu Jingsong, commander of the Shenyang Military Region, and Veteran Comrade Guo Feng also addressed the forum.

Shaanxi National Defense Industry Conference Ends
HK2901132692 Xian Shaanxi People's Radio
Network in Mandarin 0030 GMT 22 Jan 92

[Excerpts] The two-day Shaanxi Provincial National Defense Industry Work Committee Work Conference successfully concluded in Xian yesterday.

Liu Chunmao, vice provincial governor, provincial office of science, technology, and industry for national defense director, and provincial national defense industry work committee secretary, delivered a speech at the conference.

The conference was the first work conference held by the provincial national defense industry work committee ever since its establishment.

Liu Chunmao delivered a speech at yesterday afternoon's closing session, in which he dwelled mainly on deepening enterprise reform and increasing economic results.

Liu Chunmao stated: The guiding ideology for the provincial industrial and communications front this year is: To readjust structure, push ahead with technological progress, transform operational mechanism, and increase economic results. [passage omitted]

Only by deepening reforms and seeking economic results from reforms will we be able to tackle problems besetting enterprises at present. To this end, enterprises must first and foremost deepen personnel system reform, labor employment system reform, and distribution system reform. We must institute a competition mechanism in enterprises, implement the principle of distribution according to work in the distribution field, and make enterprises responsible for their own profits and losses. Only by transforming enterprise operational mechanism will we be able to invigorate enterprises. [passage omitted]

In 1992, we must take turning losses into profits as a central task. The goals set by the provincial authorities to this end are: To control enterprise losses at or below 20 percent; to reduce enterprise losses by 20 percent; [words indistinct] to attain these goals, enterprises must simultaneously push ahead with on-going reforms and

strengthen their own internal management, seek economic results from strengthened management, attach great importance to technological progress, and make painstaking efforts to readjust the product mix. The military industrial enterprises must make particular efforts to undertake more technological transformation projects, import more advanced foreign technologies, and make greater contributions to Shaanxi's economic development.

Economic & Agricultural

Agriculture, Commerce Ministries on Reform
OW0102134092 Beijing XINHUA in English
1244 GMT 01 Feb 92

["Roundup" by Yan Wenbin: "China Reforms Farm Product Circulation"]

[Text] Beijing, February 1 (XINHUA)—China will accelerate the structural reform of farm product circulation to pave the way for steady development of agriculture.

Officials from the Ministries of Agriculture and Commerce told XINHUA that China will concentrate on reforming the existing purchase, sales and pricing systems in the coming five years. The aim of this is to reduce the number of items under mandatory control and improve macro-management so as to bring more products under market regulation.

So far, China has brought the purchase and sale of major farm products such as meat, sugar, vegetables, fish and fruit under market regulation; this was done for the purchase and sale of edible oil last May.

According to the Ministry of Agriculture, half of China's commodity grain or about 100 billion kg is subject to market regulation. The State Council has stated that free grain transactions can be carried out all the year round if the state purchasing quotas are reached.

Cotton is one of the major farm products under state monopoly, but some departments under the state council are exploring ways to practise a two-price system for purchase and sale of cotton as the first step and gradually let market regulation take over.

"The reform of farm product circulation is an inevitable step in the development of agriculture," commented Tang Renjian, an official of the Ministry of Agriculture. He referred to the large increases in grain, cotton, oil and sugar-bearing crops since China started to reform its agricultural structure in 1979.

Over 60 percent of China's farm products are now commodities.

As the first step in China's circulation reform, the state monopoly of farm product circulation was abolished and the traditional free markets were restored. Now, China has established over 70,000 free markets nationwide.

Collective and individual commercial units are the major dealers in such markets.

The most important step in this reform was carried out in 1985, when China abolished the state monopoly of the purchase and marketing of grain, and signed contracts with farmers for grain purchases. The state no longer controls prices for pork, fishery products, fruit, vegetables, special local products and food grains other than wheat and rice. This means that Chinese farmers can now decide on what to grow according to market demand.

Pricing is another major step in China's circulation reform. According to the state administration of commodity prices, the purchasing prices of China's farm and sideline products have been raised by 174 percent over the past 12 years.

Meanwhile, some 1,300 wholesale markets have been established nationwide, as an important move to combine planned economy with market regulation. A group of national or regional wholesale markets trading in grain, meat, peanuts and sugar are flourishing in Jiangxi, Anhui, Jilin, Heilongjiang, Hunan and Shandong Provinces, following the establishment of the Zhengzhou grain wholesale market, the first national wholesale market in China, in 1990.

However, a senior Chinese official recently commented that an effective multi-channel circulation system has not yet been established. And trade barriers, sluggish state enterprises and an incomplete marketing system are hindering the development of China's market circulation, he said.

Hu Ping on Commercial Reform

HK3001063792 Hong Kong CHING CHI TAO PAO
in Chinese No 4, 20 Jan 92 p 9

["China Economic News" article: "Commerce Minister Says Commercial Reform This Year Will Take Big Stride"]

[Text] At a recent meeting, Commerce Minister Hu Ping said: China's commercial reform, with the stress on enterprise reform in 1992, will advance with quite big strides in such areas as the wholesale structure, market development, commodity management structure, and macroscopic regulation and control.

Hu Ping said: Efforts will be made to further deepen reform in state-owned commercial enterprises and supply and marketing cooperatives and help enterprises enter the market so that they will genuinely become commodity operators able to make management decisions, assume full responsibility for their own profits and losses, and control and develop themselves. In the wholesale structure reform, the wholesale pattern will be readjusted and enterprise groups mainly engaged in the wholesale sector and new wholesale group companies will be set up, with their operational focus to be shifted to marketing. In strengthening market development, it is

necessary to gradually form a rational pattern in which central, regional, and basic-level markets develop in a coordinated way. According to Hu Ping, the Commerce Ministry is ready to experiment in setting up national wholesale markets in some areas.

Hu Ping went on to stress the following: The variety and scope of commodities subject to mandatory planning will be reduced in a planned, gradual, active, and steady way and the market's macroscopic regulation and control will be tightened. According to the state's tentative plan, in 1992, the grain purchasing and selling prices will be further readjusted and controls over the prices of some commodities will be gradually loosened in some localities where conditions are ripe. More efforts will be made to improve the two-level reserve system of grain, edible oil, pork, sugar, and other commodities and at the same time a risk fund system will be introduced. Trade management and the building of the legal system will be strengthened.

Liu Zhongyi Remarks Cited

HK2501013792 Guangzhou Guangdong People's Radio
Network in Mandarin 1000 GMT 19 Jan 92

[Text] National meeting of directors of agricultural departments and land reclamation departments, which is being held in Guangzhou, convened a joint session today in the auditorium of the Guangdong provincial government to listen to a report by Agriculture Minister Liu Zhongyi.

Liu Zhongyi pointed out: With the profound development of reform and opening up, 900 million peasants in our country have entered a new world of commodity production. In recent years, in some places the prices of some agricultural products are not ideal, and the efficiency of the agricultural economy is low. We should conscientiously study and solve these new problems. We should guide peasants to do well in commodity production and enhance their economic efficiency.

Liu Zhongyi called on agricultural departments and land reclamation departments at all levels to implement the spirit of the Eighth Plenary Session of the CPC Central Committee in light of their local conditions, enhance their capability in serving agriculture, and do well in rational development and comprehensive utilization of agriculture. They should grasp both production and circulation and take the road of integrating agriculture, industry, and commerce with production, supplies, and marketing to promote the development and prosperity of our rural commodity economy.

Ministry Says 1991 Imports 'Increased Sharply'

OW2701151292 Beijing XINHUA in English
1433 GMT 27 Jan 92

[Text] Beijing, January 27 (XINHUA)—China's imports increased sharply last year, marked by growth of different degrees from most foreign countries and regions, a spokesman said here today.

Imports totaled 63.79 billion U.S. dollars, up 19.5 percent over the year before, according to Liu Xiangdong at the Ministry of Foreign Economic Relations and Trade.

He noted that of this imports from ASEAN countries rose by 29.3 percent; Japan, 32.1 percent; European Community, 0.6 percent; and the United States, 21.5 percent.

"Moreover, Chinese mainland increased its imports from Hong Kong by 22.5 percent," said the spokesman.

He attributed the increased imports to the removal or relaxation of economic sanctions by the west as well as to the basic fulfillment of domestic economic rectification targets.

"Other reasons include the reduction of some import tariffs, purchases by large-scale delegations abroad, investment increases in technical renovation of enterprises, and reduction of loan interests," he added.

He commented that "it will be no problem for China to strike a basic balance between its imports and exports if things continue like this."

He said China will expand imports by further reforming import administration and adopting new measures to improve the large and medium-sized enterprises.

"China will earmark several billion U.S. dollars for the importation of turn-key sets of equipment," he said, adding that China will soon cut regulation tariffs on all imports and import licences of 16 commodities.

Regarding those enterprises which use their retained earnings (instead of state loans) to buy foreign equipment, Liu said that the state will simplify or eliminate the approval process.

Experts Urge Attention to Export Potential

OW3001035092 Beijing XINHUA in English
0259 GMT 30 Jan 92

[Text] Beijing, January 30 (XINHUA)—China must expand its markets overseas although it made big progress in export in 1991, according to some economic experts.

These experts said in an economic analysis report that the total volume of the imports and exports both increased a great deal in 1991, but there is still great export potential to tap, the SOCIAL SCIENCES WEEKLY reported.

According to statistics, in the first half of 1991, there were more exports than imports and after the readjustment of the managerial strategy imports exceeded exports in the last six months.

In terms of the export structure, the experts noted, China's exports to economically-developed countries accounted for 38.3 per cent of the total in 1990, among which export to Japan accounted for 17 per cent, export

to the U.S. and Canada for 10 per cent and export to European Community countries for 9.7 per cent; and the country's export to Hong Kong and Macao regions accounted for 36.3 per cent.

The experts pointed out that such an export structure with too much emphasis on the developed countries and regions is not conducive to the full tapping of the China's advantages and also subject to other countries' impacts.

The experts urged to expand the export markets by attaching importance to and making efforts to boosting trade relations with more than 100 developing countries.

Quality of Export Commodities Improves

OW2701043492 Beijing XINHUA in English
0419 GMT 27 Jan 92

[Text] Beijing, January 27 (XINHUA)—The quality rate of Chinese export commodities was 97.63 percent last year, an 0.85 point percentage increase over that of 1990, according to the State Administration for the Inspection of Import and Export Commodities.

The quality rates of the 11 export commodities with an annual export volume of over 100 million U.S. dollars of maize, soya bean, peanut, bean dregs, natural silk, fine cotton, yarn, cotton cloth and silk were higher last year compared with that of 1990, according to today's PEOPLE'S DAILY.

Last year, China's import and export inspection departments handled a total 120,000 lots of import commodities worth 22.3 billion U.S. dollars; the quality rate increased by 0.81 percent.

Of the 32 import commodities with an annual import volume of over 100 million U.S. dollars, 18 of them had a quality rate higher than 1990 including chemical fertilizer, rolled steel, synthetic fibre and paper.

Those on the low quality rate imports list were equipment, cotton, plywood, machine tools and nonferrous metal mining machinery.

Strong Surge in Foreign Investment Noted

OW2801050592 Beijing XINHUA in English
0446 GMT 28 Jan 92

[Text] Xiamen, January 28 (XINHUA)—Foreign-funded enterprises in China are growing at a record high speed due to the stable political situation and constantly improving investment environment in the country.

According to sources from the State Ministry of Foreign Economic Relations and Trade here today, the rapid increase of foreign investment in the country is encouraged by good returns from the investments.

The risk of investment is relatively low in China, and the majority of the foreign-funded enterprises in the country have good economic efficiency.

In east China's Shanghai City, the country's biggest industrial center, 80 percent of the 730-plus foreign-funded enterprises in operation are making profits. About 98 percent of the foreign funded-enterprises opened in recent years survived.

As a result, overseas investors are gaining confidence in the investment market in China. New investments flood into the country and original investments are enlarged.

Shanghai City saw a new surge of foreign investment in 1991. During the year, the city approved 80 percent more foreign investment projects over 1990, at an average rate of one new project every day. The foreign investment flowing into the city in the year totaled 450 million U.S. dollars, an increase of 20 percentage points over the previous year.

In 1991, overseas investors expanded their investment in 90 foreign-funded enterprises in Shanghai by 100 million U.S. dollars.

Foreign investors are showing increasing interest in high-tech projects. The Shenzhen Special Economic Zone (SEZ) in Guangdong Province, south China, signed over 900 contracts with foreign investors in 1991. More than 300 of the contracts were concerned with high-tech products such as optic crystals, integrated circuits, soft ware and biological engineering products. In Jiangsu Province, east China, above 25 percent of the foreign-funded enterprises are technologically advanced and export-oriented.

The scale of foreign investment has also expanded. East China's Fujian Province approved more than 20 foreign investment projects, each involving a contracted fund exceeding ten million U.S. dollars. In contrast, the province only approved 24 large scale foreign investment projects in the entire previous decade.

Many famous international companies and consortia are active in the country's investment market. In Shanghai City, more than 40 famous companies from Europe, the United States and Japan have set up joint ventures in the country.

Several cities in the country are among the most favorite investment venues for overseas investors. For example, the Shenzhen SEZ, which is located near Hong Kong, attracts many Hong Kong investors who run 60 percent of the joint ventures in the SEZ. Japanese companies invested in 50 percent of the foreign-funded enterprises in Dalian in northeast China. And companies from Europe and North America set up 60 percent of the foreign investment projects in Shanghai.

As foreign investors continue to enhance activities in the coastal areas and big cities of the country, they begin to pay attention to the vast rural areas in the inland of the country. In east China's Shandong Province, the total number of foreign-funded enterprises in rural areas has for the first time exceeded the number of those in urban areas in 1991. Now about 60 percent of the foreign

investment projects in the province are in rural areas. The mountainous areas in Fujian Province have also set up over 500 overseas-funded enterprises.

According to experts, a new foreign investment belt now extends from the coastal areas in the east to the inland provinces in the west of the country, in addition to the north-south belt along the coast line that was formed in the early 1980s.

Investment Environment Improves in Coastal Areas

OW2501052892 Beijing XINHUA in English
0419 GMT 25 Jan 92

[Text] Beijing, January 25 (XINHUA)—China's coastal areas have witnessed rapid changes in infrastructure construction and investment environment since the country launched policies of reform and opening to the outside world about a decade ago.

Many foreign investors believe that China's investment environment, especially in the open coastal cities and special economic zones (SEZ), is more attractive than anywhere else in the world, according to a report of "PEOPLE'S DAILY" today.

Statistics the paper quoted show that in recent years the open coastal areas have invested hundreds of billions of yuan in improving the investment environment. Since 1985 the fixed assets investment of the 61 open coastal cities has reached 572.4 billion yuan.

During the 1985-1990 period, nearly 100 energy resources projects and individual projects went into operation in these 61 cities, providing an additional electricity capacity of 12.5 million kw [kilowatts].

These projects include the Shatoujiao power plant in Guangdong Province, the Zhenhai power plant in Ningbo city in Zhejiang Province, the Macun power plant in Hainan Province and the Qinshan nuclear power plant in Zhejiang Province, which have all gone into operation. In addition, the construction of the Dayawan nuclear power plant is in full swing.

Since 1985 the 61 cities have completed 46 harbor construction programs. In six years, they have newly set up 80 berths, with a total handling capacity of 120 million tons. In 1990 the handling capacity of the ports and harbors of these cities stood at 500 million tons, 2.5 times the figure for 1985, the paper reported.

Meanwhile, the construction and expansion of 13 airports in the coastal areas were also finished during the 1985-1990 period. A statistical survey carried out in 1990 show that 31 of the 61 open coastal cities have civil aviation services, 11 more than in 1985. In the six years the 61 cities also completed more than 30 railway and highway construction projects.

Furthermore, the 61 cities constructed 13 large and medium-sized posts and telecommunications projects, installing an additional 1.6 million telephones. At

present, nearly 20 cities have long-distance and international automatic telephone services. They can directly transfer information to dozens of countries and regions worldwide and more than 100 domestic cities.

In 1979 Shenzhen only had 500 telephones; now there is an average of one telephone for every two families and it has set up a modern telecommunications network connecting with more than 100 countries and regions worldwide.

Together with the improvement of the investment environment in the coastal areas, China has carried out a series of preferential policies for attracting more foreign funds.

From 1985 to 1990, the 61 cities signed more than 20,000 agreements on foreign investment—with an average increase of 35 percent a year. A total of 9.5 billion U.S. dollars of foreign investment has been used. In the first three quarters of 1991, 1.34 billion U.S. dollars were used, 34 percent up over the same period of 1990, the paper said.

Of all the foreign-funded enterprises approved in Tianjin, Qingdao, Guangzhou and other cities in recent years, more than 90 percent are involved in production. Their investment accounts for 95 percent of the total contract investment. Foreign investment is not only used for developing small-sized industrial zones, but also for developing agriculture, education and tourism. The cities of Shanghai, Guangzhou, Dalian and Yantai also paid much attention to importing know-how intelligence and advanced technologies, and the improvement of the efficiency of enterprises and their capability of earning foreign exchange.

Since 1990 most of the imported production facilities, technologies and projects in the open coastal areas have reached the international advanced level of the late 1970s and early 1980s. Many leading foreign companies, such as the Xerox Corporation of the United States and the Volkswagen Automobile Company of Germany, have set up joint ventures or branches in the coastal areas. Some 100 foreign-funded enterprises in Shanghai, Guangzhou, Dalian, Yantai, Shenzhen and Huizhou have increased their investment and lengthened their cooperation terms.

Government statistics show that in 1990 the gross domestic product of the coastal areas surpassed 600 billion yuan, amounting to 36 percent of the country's total; the per capita average of the gross domestic product is 70 percent higher than the national average, at 1,300 yuan; the total industrial and agricultural output value stood at 1,300 billion yuan, accounting for 42 percent of the country's total; the 61 open coastal cities' revenue reached 74.7 billion yuan, 48 percent of the total of the country's 467 cities.

Country Boasts 37,000 Foreign-Funded Firms

OW2701043392 Beijing XINHUA in English
0422 GMT 27 Jan 92

[Text] Beijing, January 27 (XINHUA)—More than 10,000 foreign-funded firms were registered in China last year, bringing the total number of such firms to 37,189, according to the latest statistics of the State Statistics Bureau.

Of the 37,189 firms, 22,791 are joint ventures, 8,497 are operating in cooperative form, and 5,901 are with sole foreign investment.

About 95 percent of the firms are engaged in industrial and export-oriented production, mainly in the fields of energy, transport, telecommunications and raw materials.

The foreign-funded firms are scattered in 30 provinces, autonomous regions and municipalities of China.

The number of the foreign-funded firms is predicted to reach 100,000 with foreign investment of 80 billion U.S. dollars by the year 2000.

Bank Enhances Foreign Currency Business

OW2801081192 Beijing XINHUA in English
0734 GMT 28 Jan 92

[Text] Beijing, January 28 (XINHUA)—The Beijing Branch of the Bank of Industry and Commerce has become an important center for handling foreign-related businesses in Beijing.

One of the largest financial agencies in the city, the bank formerly was a financial agency serving primarily domestic businesses. In 1991, the savings deposits in the bank were 64.08 billion yuan and loans it provided amounted to 35.93 billion yuan.

The bank started to offer foreign exchange services in 1988 and accept savings deposits in foreign currencies, provide loans in foreign currencies and handle settlement of trade and non-trade international accounts. By the end of 1991, the amount of foreign currency savings deposits in the bank came to 530 million U.S. dollars.

Last year it provided large-scale state-owned enterprises and foreign-funded enterprises with loans totalling 467 million U.S. dollars.

The bank has established 132 agencies which engage in the accounting business of foreign exchange and the saving services of foreign currency.

Last year the bank used 340 million U.S. dollars of foreign currencies to conduct business. Its foreign currency business volume now ranks second among the various banks in Beijing, after the Beijing Branch of the Bank of China.

Shenzhen Exchange Moves to 'Market Orientation'

HK2701090292 Beijing ZHONGGUO XINWEN SHE
in English 0801 GMT 25 Jan 92

[Text] Shenzhen, January 25 (CNS)—With year-by-year expansion, Shenzhen's foreign exchange swap market has accumulated a trade volume of U.S.\$7.5 billion since 1985, with U.S.\$2.79 billion transacted in 1991 alone.

The swap market has since its inception passed through three stages with access given only to state-owned and collective entities operating in the Shenzhen Special Economic Zone at the very beginning, while both parties involved in the trade had no direct contract and the price was confined to a rate of eight percent of the cost in swapping foreign exchange.

A new practice was introduced in 1986 with administration of sources and use of foreign exchange swapped. Both sides involved could have face-to-face negotiations and three types of foreign-funded enterprises were granted access to the swap market.

Starting March, 1990, a brokerage system was employed with the practice of "clients entrusting brokers to deal on their behalf with trade done in a concentrated pattern at a competitive price", thus pushing the direction of the foreign exchange swap system towards standardization and market orientation. There are so far 23 foreign exchange brokers played by banks specializing in foreign exchange business, eight of which are domestic banks and 15 foreign-funded banks.

First Metal Options Market Opens in Shenzhen

HK2601054592 Beijing CHINA DAILY (BUSINESS
WEEKLY SUPPLEMENT) in English 26 Jan 92 p 2

[By Li Zhuoyan: "Shenzhen Forges First Metal Options Market"]

[Text] Shenzhen—China's first metal exchange and options market—the Shenzhen Metal Exchange—opened on January 18, raising interest both at home and abroad.

"The exchange is designed to further develop the planned socialist commodity economy and to introduce a more advanced market mechanism to the production and consumption of nonferrous metals," said an official with the State Council's Development Strategy Research Centre.

Of the eight metals traded there, magnesium and antimony are the first to be introduced at any metal exchange in the world. The other six are copper, aluminum, lead, zinc, tin and nickel. Imported non-ferrous metals are also traded.

Production and sales of nonferrous metals used to be under strict government regulation. But with expanded use of the market mechanism, the government has freed 70 percent of the metals.

Foreigners are not allowed to trade at the market. But officials said the participation of foreigners will be considered when the market is more developed.

China is the world's fourth biggest producer of nonferrous metals and its output last year was 2.52 million tons.

Prices of the metals have fluctuated in the past few years. At present, most of the metals are being traded close to the international market prices.

Nonferrous metal producers and consumers have been hesitant to risk non-guaranteed delivery and price fluctuations. But both the government and business community agree that option deals are a good solution to these problems.

Forward trading features contracts to be fulfilled in a specified time in the future at prices both sides agreed on at present. Officials say the exchange will gradually shift to futures trading but under strict regulation.

The exchange operates under the membership system. Nonferrous metal manufacturing, sales companies and users must be approved by the executive committee and the Shenzhen municipal government to become members.

So far, the exchange has 48 members and more are applying. The exchange is open from 9-11 am, Monday through Friday.

Business is conducted by floor brokers who are authorized by the members. Non-member companies can trade through these brokers.

The market also has margin and clearing systems to guarantee the fulfillment of contracts. Deals clinched in the exchange can be transferred to another party. By last Thursday morning, 32 contracts with a total worth of 164 million yuan for 10,772 tons of goods were signed at the exchange.

Official Views 10 Areas To Expand Opening Up

HK2801135592 Hong Kong CHING CHI TAO PAO
in Chinese No 3, 13 Jan 92 p 9

["China Economic News" article: "Zhang Pan (1728 4323), Vice Director of State Council's Development Research Center, Says China Should Expand Opening in 10 Areas"]

[Text] Zhang Pan, vice director of State Council's Development Research Center, has recently proposed that to further expand opening up from now on, China needs to work hard in the following areas:

1. It is necessary to firm, augment, and improve the sense of opening up;
2. Opening up to the world should be all-directional and pluralist. It is necessary to do a good job in the relations with the EEC, the United States, and Japan, while doing

a good job in relations with all aspects and implementing South-South cooperation in action. Special attention should be paid to developing relations with bordering countries.

3. The opening regional patterns should develop from coastal, bordering areas and river valleys to the hinterland in depth.

4. It is necessary to take an active part in international regional economic activities, for example, economic activities in smaller regions such as Northeast Asia economic and technological cooperation, and Southeast Asia technological and economic cooperation.

5. The extent of opening up of the entire economy should be improved. It is necessary to link the output to the input in trade, technology, funds, and labor service.

6. Regarding those enterprises that have a say in operation in foreign economic relations and trade, it is necessary to promote their development to internationalized operation, namely in the direction of transnational operation.

7. It is necessary to gradually and appropriately open up the domestic market.

8. It is necessary to further improve the investment climate, running existing special economic zones, development zones, and foreign-funded enterprises well, and attract direct investment based on the industrial policy.

9. The change from quantity to quality should be realized in foreign economic relations.

10. It is necessary to actively participate in international organizations, including the fight for the GATT signatory status.

Li Peng Affirms Achievements of Tax Workers

OW2501043392 Beijing Central People's Radio Network in Mandarin 1030 GMT 24 Jan 92

[From the "National Hookup" program]

[Text] In his recent letter to Jin Xin, director of the State Administration of Taxation, Premier Li Peng fully affirmed the outstanding achievements of 1991 in taxation and extended his heartfelt thanks to all taxation personnel.

Under the leadership of the party Central Committee and the State Council, China's Taxation Department overcame various difficulties and overfulfilled the 1991 industrial and commercial taxation plan by 2.9 billion yuan despite serious natural disasters in some parts of the country.

Premier Li Peng said in the letter: I hope that you will work even harder and make taxation play a greater role in our country's macroeconomic control during the new year.

Li Peng pointed out: The building of a taxation work force is very important. We should train a large number of taxation cadres with a high degree of political awareness, devotion to work, and proficient taxation knowledge. We should pay attention to enhancing ethical integrity among taxation personnel and show the people that taxation personnel are honest in performing their official duties.

Zhu Rongji Addresses Tobacco Industry Conference

OW2901103092 Beijing XINHUA Domestic Service in Chinese 1504 GMT 28 Jan 92

[By reporter Wang Xu (3769 2485)]

[Text] Beijing, 28 Jan (XINHUA)—This reporter has learned from the national tobacco work conference which ended today that the industry has achieved outstanding results in limiting production and suppressing stocks, reducing production by 4.39 percent against last year and posting an unexpected increase of nearly 1 billion yuan in taxes and profits.

Long troubled by the problem of producing more and selling less in recent years, the tobacco industry has from last August been strictly implementing the State Council's instructions on limiting production and suppressing stocks by promptly suspending production of 34 tobacco factories and of more than 200 brands of cigarettes suffering from sluggish sales, positively readjusting the product mix, and sharply increasing production of fast-selling cigarettes. As a result, amid reduced volume of cigarette production, an increase of 2.6 percent in taxes and profits—reaching 27.58 billion yuan—was reported, with cigarette stocks dropping by 1.5 million boxes and stagnant capital being reduced by 2.5 billion yuan.

Speaking at the tobacco work conference today, Vice Premier Zhu Rongji fully affirmed the spirit of the staff and workers of the tobacco industry in prioritizing overall interests and observing discipline. He encouraged them to resolutely continue following state plans in the new year and realize fresh goals of adjusting the product mix and enhancing efficiency.

Jiang Ming, director of the State Tobacco Monopoly Administration, demanded that this year the tobacco industry, on the basis of limiting production, should concentrate on solving the problems of transforming the operating mechanism of state-run large- and medium-sized enterprises and speeding up technical transformation, while striving to hit 30 billion yuan in tax and profit for the whole year.

Yuan Mu at Jilin Forum on State Enterprises

SK2801084492 Changchun Jilin People's Radio Network in Mandarin 1030 GMT 27 Jan 92

[Text] From 24 to 27 January, Yuan Mu, director of the research office under the State Council and State

Council spokesman, and Gu Xiulian, minister of chemical industry, made inspection tours in our province. During their tours, Comrades Yuan Mu and Gu Xiulian visited the Jilin Chemical Industrial Company and the No. 1 motor vehicle plant. During their tour in the Jilin Chemical Industrial Company, they sponsored a forum with cadres and workers on the issue of implementing the State Council's relevant guidelines and of boosting large- and medium-sized enterprises.

On the morning of 27 January, Comrade Yuan Mu delivered a report on the current situation in the province's cultural activities center before the cadres from the provincial-level organs. Governor Wang Zhongyu presided over the report meeting.

In his third report on the current situation, Yuan Mu, by bearing in mind the current national and international situation, gave a brief account of tasks currently facing us.

Attending the report meeting were leading comrades from the provincial party committee, the provincial Advisory Commission, the provincial People's Congress, the provincial people's government, the provincial Chinese People's Political Consultative Conference Committee, and the provincial Discipline Inspection Commission.

Plan To Revitalize Enterprises Initiated

*HK3001093392 Beijing CHINA DAILY in English
30 Jan 92 p 2*

[By staff reporter Zhang Yuan: "Bigger Say Goes to Key Factories"]

[Text] The State Administration of Building Materials Industry will carry out a plan to revitalize its large and medium-sized enterprises in the coming few years, China Daily learned yesterday.

Those State-run firms, though only 8.9 percent in number of the industry's total, produce 49 percent of its total taxes and profits annually.

However, many of them are still in trouble because of inefficiency and poor management.

So the administration will use a series of effective measures to create a better external environment for their development, according to Wang Yanmou, director of the administration.

First of all, it will reduce the portion of State-ordered production in its output plan and reform building material price systems so as to give those enterprises more say in the market, Wang said.

With cement, the administration will allow more firms to fix prices of their own products according to market demand, while keeping control of about 10 million tons of the industry's annual output of more than 200 million tons in order to guarantee satisfying needs of State key construction projects.

At the same time, the fluctuation rate of cement prices in the domestic market will be permitted to rise to 30 percent or more.

However, Wang warned that those who compete against others by means of illegal methods will be punished or fined.

The administration's second key measure is to gradually foster a number of national and regional markets specially designed for building materials trading at home. That's an important step toward pushing State-run large and medium firms into the market, Wang said.

The administration is currently planning to establish a national building materials wholesale market and a business information service centre in Beijing.

Then, some wholesale markets and multi-functional information service centres will also be set up in the country's major economic regions.

As its third measure to boost the firms, the administration will readjust its relations with different departments and local authorities in order to better implement the preferential policies given by the State to large and medium firms.

Wang also said that the industry will establish four cement production and export enterprise groups along the lower and middle reaches of the Yangtze River and around the Bohai Sea rim; three porcelain ware production and export groups; two glass production and export groups in Luoyang of Henan Province and Qinhuangdao of Hebei Province; and some enterprise groups of new building materials, non-metallic minerals and technology.

Financial Institutions on Aiding State Firms

*HK2701103092 Beijing RENMIN RIBAO in Chinese
14 Jan 92 p 2*

[Dispatch by reporter Shi Mingshen (2457 2494 1957): "Five Financial Institutions Put Forth New Ideas on Further Support to Large-, Medium-Sized State-Run Enterprises"]

[Text] Beijing, 12 Jan—Further support to large- and medium-sized state-run enterprises was the main theme at the recently-held national banking and insurance work conference. Some new policy measures on this subject were presented by China's leading financial institutions.

Industrial and Commercial Bank of China: The loan input structure with large- and medium-sized state-run enterprises as the principal entity should be consolidated and developed. Unlike previous years, the bank's headquarters this year chose 40 big important enterprises with significant economic standing and excellent economic performances as the objects which will receive priority support from the bank. The reasonable capital needs of these 40 big important enterprises will be given priority consideration in terms of scale and capital

allocations, with the remaining scale and capital made available to other two-support enterprises, ordinary large- and medium-sized state-run enterprises, and other enterprises with good economic performance, in this order of priority. At the same time, loans, deposits, final estimates, cash payments, preferential interest rates, information and consultation, credit cards, the electronic network, and other facilities will be integrated to provide total support to the 40 big important enterprises.

Bank of China: In the Eighth Five-Year Plan, along with continuing efforts to provide good service regarding the seller's export credits, \$10 billion in buyer's export credit will be allotted each year to be used exclusively in the export of whole sets of equipments in support of large- and medium-sized state-run enterprises. Furthermore, in the next three years, an additional \$400 million in foreign currency loans for special projects and 400 million yuan in renminbi-denominated loans for supplementary equipments will be made available annually for the importation and renovation of technology by large- and medium-sized state-run enterprises. Concerning large- and medium-sized state-run export-oriented manufacturing enterprises with accounts in the bank, branches at all levels may use their own discretions to lower credit interest rates within the confines of their authorities; they may open credit granting facilities and foreign currency-denominated working capital loans after approval by the headquarters; they may also use their own discretion to reduce or do away with guarantee funds for the opening of letters of credits.

People's Construction Bank of China: Examination and assessment of key state projects as well as large-scale projects will be boosted. It is necessary to ensure that credit funds are distributed and spent according to plans and that credit needs of projects are satisfied; it is necessary to supervise and help concerned departments and units in making budget estimates, making full use of their investments, and not leaving any loopholes.

The bank also decided that starting this year, large- and medium-sized state-run construction enterprises will be allowed to retain a certain proportion of state-allocated working capital based on the project cost and income until after fixed approved working capital is fully covered in order to boost the capital position of the enterprises. A certain proportion of technical development funds may also be retained based on the project cost and income following approval in order to boost the self-renovating ability of the enterprises.

Bank of Communications: Promote the integration of manufacturing and financial entities, and explore joint ventures. More than 60 percent of additional shares will henceforth be offered first to large- and medium-sized enterprises. Investments in large- and medium-sized enterprises with fairly good economic performance and development prospects should be raised appropriately on the basis of stronger investment management and higher investment returns. All branches should join enterprises in setting up new ventures according to the

state's industrial policies, local conditions, and domestic and international market demands.

People's Insurance Company of China: Actively engage in insurance business which is favorable to efforts to improve large- and medium-sized state-run enterprises, and strive to expand contract coverage. Insist on marked-up contracting of fixed assets, expand the types of accessory risks, expand insurance coverage, increase the post-disaster compensation and the enterprises' ability to expand reproduction. In using antidisaster expenditures, preference should be given to large- and medium-sized state-run enterprises and assistance extended to enterprises in building and purchasing antidisaster facilities and equipment.

Study of Wage System Reform Passes Appraisal

*OW3001003492 Beijing XINHUA Domestic Service
in Chinese 1103 GMT 29 Jan 92*

[By reporter Yang Zhaobo (2799 0340 3134)]

[Text] Beijing, 29 Jan (XINHUA) —A large-scale comprehensive soft scientific research project undertaken by the State Science and Technology Commission—a study on reforming China's wage system—passed expert appraisal today.

The study applies the theories and methods of system science, as well as a comprehensive method integrating qualitative with quantitative analysis. The data used in the study is based on statistics released by the State Statistics Bureau; the method adopted for handling the data has a scientific basis and conforms to statistical standards. According to experts, the research results cover 14 topics, including wage system reform and minimum wages in China over the past 40 years, the initial ideas for wage system reform, and evaluation and forecast of the income of Chinese urban and rural residents.

According to the experts, this research project has provided a basis for scientific reference in theories, data and methods for macrodecision-making.

Anhui City Showcase for Promoting Development

*OW3001035292 Beijing XINHUA in English
0300 GMT 30 Jan 92*

[Text] Hefei, January 30 (XINHUA)—Tongling, a small city in Anhui Province in east China, has achieved big success in economic growth in the past few years, but the city authorities, not content with the success, hoped to keep pace of growth with more developed cities in the coastal areas.

When the point is stressed in the press, the city has become widely known in the country by evoking a public discussion in the national newspaper "ECONOMIC DAILY" on fully mobilizing all resources to develop the local economy.

On November 14 last year the local newspaper "TONGLING NEWS" first carried an article entitled "Wake Up, Tongling", exposing major problems preventing the city's economy from developing at the same pace with other cities with similar conditions. The "Wake Up" title referred to waking up from being intoxicated with success.

One of China's largest copper producers, Tongling accomplished a total industrial output value of 2.95 billion yuan in 1991, a 12 percent growth over the previous year, but the figure was smaller than six other cities in the province.

Moreover, the city now lags much farther behind the economically-developed cities of Suzhou, Wuxi and Changzhou in coastal Jiangsu Province though Tongling enjoyed similar economic competence with them a dozen years ago.

The local paper pointed to a failure to focus on economic development, lack of a sense of commodity economy and lack of initiative in work and in opening to the outside world.

This article was prepared by the city's party committee and people's government. Its appearance was something new to the city residents who are used to reading reports on the success of the locality. Since it was published, city residents including workers, factory directors and officials voiced their views related to problems raised in the article.

Then on January 4, the "ECONOMIC DAILY" introduced the public discussion in Tongling to its readers across the country and published the article carried in the "TONGLING NEWS" and put a bottom-line title as "Wake Up, Not Only Tongling", to invite its readers to the discussion.

Since then the discussion has expanded to involve more people, especially officials in inland areas. They all agreed that the discussion is thought-provoking and they will take the opportunity to evaluate their own performance.

In the discussion, Du Yingtai, director of the Tongling Second Hemp Mill, said that it was encouraging after reading the article because if Tongling intended to ensure an economic boom, problems hindering the progress should be exposed in order to be solved.

In an installment of the "ECONOMIC DAILY" discussion, Li Youmei, mayor of Datong city in coal-rich Shanxi Province, also admitted that officials in his city have not done enough to emancipate their minds in developing local economy and have relied too heavily on its coal resources to the neglect of other local resources including tourism.

Between January 4 and 24, the "ECONOMIC DAILY" carried over 30 letters, articles and commentaries concerning the discussion.

In a commentary, Fan Jingyi, editor-in-chief of the paper, noted that it is more important to know what to do after "waking up".

Wang Yang, mayor of Tongling City, said that the original article aimed to arouse the city residents, especially officials, to emancipate minds, quicken the pace of reforms and opening to the outside world and boost local economy.

Wang said that though mind emancipating is a long process, the discussion has indeed brought about encouraging improvement in the city's efforts to speed up economic development and reform.

For instance, he said, on December 26 last year the city party committee decided to introduce the changing of the enterprise management mechanism and reform of employment, wages and insurance systems in all enterprises citywide in the first half of 1992.

The public discussion is still going on and the "ECONOMIC DAILY" reported on Monday that it will soon organize it in a new way and from a new angle.

Liu Guoguang Supports Three Gorges Project

OW3001103192 Beijing XINHUA in English
1024 GMT 30 Jan 92

[Text] Beijing, January 30 (XINHUA)—China can manage to afford the huge investment of capital and materials needed for the proposed three gorges project, the nation's biggest hydropower construction project in the century, said senior economist professor Liu Guoguang.

Liu, vice president of Chinese Academy of Social Sciences and a member of the appraisal committee for the three gorges project of the State Council, based his conclusion on long-time detailed feasibility studies on the subject.

The comprehensive feasibility report calls for a total investment of 57 billion yuan for the entire project, calculated according to the constant price of 1990.

The bulk of the investment can be financed by bank loans and bonds, funds raised locally, the profit earned from the Gezhouba hydropower station, which is already in operation, as well as the revenue from the electricity production in the three gorges project starting in the 12th year of the construction, while the state budget allocation will only make up a small portion of the total fund, Liu said.

On the other hand, he estimated, the total investment for the project will account for about 1.23 per thousand of the aggregate amount of national income during the years of construction.

The ratio is much lower than that for the first-stage construction of the Shanghai Baoshan Iron and Steel Works, a key project in China completed in the 1980's.

Therefore, he said, the China will be able to afford the project since the country is economically stronger.

Besides, the project itself will pay for part of the funding since some of its generators in the three gorges project will start working and earning profits during the later years of construction.

According to Liu, the revenue from power production in Gezhouba and three gorges projects will account for 44 percent of the entire investment for the three gorges project during the 18-year construction.

Some people worried that the static investment of 57 billion yuan as suggested in the feasibility report is far from enough considering the price hikes. Liu held that when the costs for raw materials and construction rise, the price for electricity goes up too, and the national income and the country's investment ability will also increase accordingly.

In a word, he concluded, the power production earnings alone from the Gezhouba and three gorges projects will recover all the 57 billion yuan investment for the three gorges project in 20 years after the construction starts.

As for the materials needed for the project construction, Liu said that the country will be able to afford it, since the average demand for cement, steel and timber during the 18-year construction will account for only 3.6 per thousand, 2.5 per thousand and 1.8 per thousand respectively of the 1991 annual outputs of the above materials.

However, the expert warned that, the pouring of large amounts of money and materials in the project, especially during the peak years of construction, added with the investments in other large construction projects at the same time, might cause an over-heated economy and inflation in the country.

Liu suggested that the central authority work out a comprehensive balance in capital flow during that period in order to guarantee the smooth going of the three gorges project, as well as the stable growth of the national economy.

'Blue Book' on Economic Analysis Published

OW2501093592 Beijing XINHUA in English
0825 GMT 25 JAN 92

[Text] Beijing, January 25 (XINHUA)—China's first blue book "China in 1992: Analysis and Predictions of the Economic Situation" has been published in Beijing.

The blue book, published by China's social sciences publishing house, is a collection of analysis and predictions of the economic situation, the result of a key research project in the country's Eighth Five-Year Plan period and the 10 year development program.

Participating in the project were many well-known scholars and experts from government and institutions of higher learning including the research office directly

affiliated to the State Council, the development research center of the State Council, State Statistical Bureau, State Information Center, People's Bank of China, Finance Ministry, Ministry of Materials, Ministry of Commerce, State Administration of Commodity Prices and Beijing University.

According to experts, this is an important attempt that China has made in the research on the economic situation with the science of predictions.

The book is different from the annual report on the government work in that all the writers are experts on the economic fields. Their empirical and quantitative analysis on the basic economic facts in the country are most authoritative and scientific.

The blue book will be published annually and experts and scholars will be invited to give predictions on the overall economic situations.

'Roundup' on Rural Socialized Service

OW2901120792 Beijing XINHUA in English
1152 GMT 29 Jan 92

["Roundup" by Yan Wenbin: "Chinese Farmers Benefit From Rural Socialized Service"]

[Text] Beijing, January 29 (XINHUA)—Various rural socialized services have been flourishing in China over the recent years, which helped inject new vitality for the household-based responsibility system, the major management form practised in rural China.

By now, technology service centers have been established in half of the 2,181 counties and 77 percent of the townships have set up their local stations which offer help to farmers in need of farm machines.

Meanwhile, the plant protection service network has covered one third of China's arable land, or 35 million hectares. A complete service system is formed to provide help in seed supply, machine plowing and irrigation, plant protection and technology extension.

According to Liu Zhongyi, minister of agriculture, some of the service stations are run by collective economic organizations, some by farm machine management stations, others by such departments as commerce, foreign trade companies, research institutes, colleges and organizations established by farmers specialized in the study of a certain aspect or a crop in farming.

Service items range from various links in agriculture production and farm use products supply. They also cover technology extension, loans, information, management and processing and sales of farm products.

China started to practise household-based output-related contract responsibility system in the early 1980s as one of the major steps in its economic reform. The move greatly boosted farmers' enthusiasm in farming as they

can make their own decisions in the major aspects of farming and they can get more income for more work.

However, as most of the land has been divided into pieces and individual farming households are tilling their land separately, more farmers have found it difficult or costly to practise some new technologies, to buy farm use materials or sell their surplus products. It is impossible for the individual farming households to organize large construction of irrigation facilities or open up new land.

To solve the problems, many socialized service organizations flourished in many areas to help individual farming households in order to boost agriculture production. The extension of improved varieties, for example, means that the local seed supply organizations teach farmers how to use the fine varieties after extensive experiment. In another case such as plant protection,

local service organizations take care of everything in preventing or driving away pests.

According to a recent survey by the Chinese Academy of Social Sciences, service organizations can greatly boost agricultural production even if there is no marked improvement in other conditions. Chuxian prefecture in Anhui Province, for instance, has reaped bumper harvests successively over the recent few years as a complete service network was formed all over the region. Zhaodong city in the northeastern province of Heilongjiang has doubled its grain production in four years as each village can provide help in plowing, irrigation, chemical fertilizers, improved varieties and pesticides.

By now, such rural services are developing from some single items towards comprehensive services in some relatively developed areas. Many areas can provide a set of services in production, processing, storage and sales.

East Region

Lu Rongjing, Others Visit Nanjing Military Region

OW0102021092 Hefei Anhui People's Radio Network
in Mandarin 1100 GMT 31 Jan 92

[From the "Provincial Hookup" program]

[Text] On 29 January, Lu Rongjing, secretary of the provincial party committee; Meng Fulin, deputy secretary; Shi Lei, member of the Standing Committee of the provincial party committee and political commissar of the provincial military district; and Vice Governor Zhang Runxia made a special trip to the Nanjing Military Region to convey their appreciation for the support given by the units under the Nanjing Military Region to our province in combating floods and providing relief to flood victims last year, and to extend their regards to the officers and soldiers of the units. Nanjing Military Region's Political Commissar Shi Yuxiao, Deputy Commanders Guo Tao and Guo Xizhang, Deputy Political Commissar Pei Jiuzhou, as well as the responsible officers of the Working Department, the Political Department and the Logistics Department under the military region, cordially received and held talks with Lu Rongjing and his entourage.

Lu Rongjing warmly praised the People's Liberation Army (PLA) for their contributions in the fight against disaster and in relief operations. The PLA treated the people like their parents, and the flood areas as their battlefields, and they were always ready to go forward, unflinchingly risking their lives and fighting in the forefront. In the struggle against the disaster where many commendable heroes and advanced deeds had emerged, the PLA mobilized 26,000 person/times, and organized 1.64 million reserve militiamen in rescuing victims, transporting and transferring materials, helping the people tide over dangerous and difficult situations, and reinforcing dikes and embankments. When the flood situation had eased, various organs and units under the Nanjing Military Region also promptly donated a large amount of relief funds and materials in support of the flood victims. For all these contributions, Lu Rongjing expressed, on behalf of all the people in the province, his heartfelt thanks, and extended his sincere regards to all the officers and men in the Nanjing Military Region. Lu Rongjing further briefed them on the current situation and work in the province. He called for efforts to implement the party's line in an all-around way, and to further deepen reform and opening wider to the outside world on the basis of maintaining political, economic, and social stability. He also emphasized the need to mobilize the entire people of the province to concentrate their efforts on promoting economic development, and to greet the convocation of the 14th Party Congress with outstanding achievements.

While giving a briefing on double support work in the province, Meng Fulin said: In the new year, we must thoroughly implement the guidelines of the first national

double support work conference, continue to carry out our work in a down-to-earth manner around the task of maintaining state and military stability, and raise double support work to a new level.

Shi Yuxiao, political commissar of the Nanjing Military Region, expressed appreciation for the trouble taken by the responsible comrades of the provincial party committee and provincial government to specially visit the Nanjing Military Region and to convey their kind regards. He also expressed high respect for the entire people of the province, particularly to the people in the flood areas, and extended his new year greetings to them. He called for joint efforts to further strengthen the unity between the Army and the government, the Army and the people, and continue to make contributions to developing spiritual and material civilization in the province.

Guo Tao, deputy commander of the Nanjing Military Region, also spoke at the meeting.

Wu Guanzheng Views Personnel Structural Reform

HK3101145492 Nanchang Jiangxi People's Radio
Network in Mandarin 1100 GMT 22 Jan 92

[Text] At the provincial meeting of directors of personnel bureaus and departments, which ended today, provincial Governor Wu Guanzheng gave a speech, stressing that the personnel system reform must adjust to the implementation of the economic structural reform and the development of economic construction, and that it is necessary to widen sources of ideas in light of our province's reality, vigorously blaze new trails, be courageous to put them into practice, and promote the development of the personnel system reform toward a deeper level. Wu Guanzheng pointed out: Personnel work must be subject to economic construction. Personnel departments at all levels and vast numbers of personnel cadres must hold fast to this center and do their work in a down-to-earth manner. They should vigorously provide good services for improving enterprises, especially large and medium-sized enterprises, and for strengthening agriculture and rural work. It is necessary to regard the work for intellectuals as an important thing, seriously and responsibly carry out management and service, care for them with their hearts filled with ardor and sincerity, and do more practical things to create good working and living conditions for them.

The meeting was convened in Nanchang yesterday. The main task of the meeting was to sum up last year's personnel work, make preparations for this year's personnel work for the whole province, and study how to conscientiously implement the relevant spirit of the CPC Central Committee and the provincial party committee. The meeting stated: Regarding this year's personnel work for the whole province, it is necessary to stick to taking economic development as the center, carry out the personnel system reform, organization, salary, and post titles while emphasizing improving large and medium-sized state enterprises and strengthening agriculture and rural work, strengthen various sorts of management and

services for cadres, planning, job arrangements for former servicemen, professional and technical personnel, and so forth. It is necessary to continue to enhance the strength of cadres on the forefront of industry and agriculture, make efforts to promote the reform of the enterprise personnel system, make efforts to strengthen the basic-level political power in rural areas and to build the contingent of cadres, conscientiously carry out the organizational reform and the preparatory work for instituting the civil service system, further strengthen planning, management, and macroscopic control, conscientiously carry out frequent assessment of the professional and technical expertise of professional and technical personnel and the work for their management and service, and so forth, vigorously strengthen cadre training and the further education of professional and technical personnel, conscientiously do well in salary, insurance, and welfare, and continue to strengthen the building of personnel departments themselves.

Jiang Chunyun Attends Religious Leaders' Forum

SK0302060692 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 2 Feb 92

[Text] On the afternoon of 2 February, the provincial party committee invited nine responsible persons of religious groups on the provincial level to a forum to exchange opinions on how to further unite the vast number of religious believers to plunge into socialist construction on the basis of better uniting and cooperating with each other in politics and respecting each other's beliefs.

Invited to the forum were Wang Shenyin, Standing Committee member of the National Committee of the Chinese People's Political Consultative Conference and vice chairman and bishop of the two provincial Christian associations; (Ju Changtai), pastor; (Guo Chuanzhen) and (Zhao Ziping), assistant bishops of the provincial patriotic Catholic association; (Chen Xingqi) and (Ma Degui), vice presidents of the provincial Islamic association; (Neng Chan), vice president of the provincial Buddhist association; (Fa Guang), master; and (Zhang Chengming), executive member of the council of the China Taoist Association and chairman of the Preparatory Committee of the provincial Taoist association.

Taking the floor one after another, participants spoke glowingly of the province's excellent situation and offered some good opinions and proposals in line with the religious situation.

Ma Zhongcai, deputy secretary of the provincial party committee, attended the forum and made a speech. He said: Respecting and protecting the freedom of religious belief is a long-term basic policy on religious issues by the party and the state. We should maintain the continuity and stability of this policy and correctly approach and handle the religious issue. On the one hand, so far as the party and the government are concerned, it is necessary to firmly and unswervingly respect and protect the

citizens' right of enjoying freedom of religious belief and to protect normal religious activities according to the law. On the other hand, so far as the religious groups are concerned, it is necessary to support the leadership of the CPC and socialism, persist in the principle of independence, and conduct religious activities within the scope permitted by the Constitution, laws, regulations, and policies. Under China's socialist condition, both the masses with and without religious belief are members of the great socialist family of the Chinese nation, and thus enjoy the same interests in politics and the economy. Their differences in ideology and belief are less important. The broad masses of religious believers are also a major force in building our great cause of socialist modernization, and thus we must respect each other and unite with each other.

In addition, Ma Zhongcai stressed the necessity of strengthening education on patriotism and socialism among religious believers and personages in religious circles, consolidating and developing the patriotic united front with religious circles, resisting and dealing blows to illegal and criminal activities committed by means of religions, and resolutely guarding against infiltration from outside hostile forces.

Jiang Chunyun, secretary of the provincial party committee; Li Chunting, Standing Committee member and vice governor of the province; and Song Fatang, vice governor of the province, attended the forum to visit responsible persons of various religious groups.

Tian Jian, director of the United Front Work Department of the provincial party committee, and leading comrades of departments concerned also attended the forum.

Shanghai Foreign Firms To Get Priority Graduates

OW0302014592 Beijing XINHUA in English
0123 GMT 3 Feb 92

[Text] Shanghai, February 3 (XINHUA)—Foreign-funded enterprises in Shanghai will enjoy the same priorities in taking in good graduates of schools of higher learning this year as key state enterprises.

According to a recent circular jointly released by the Shanghai Municipal Personnel Bureau, the Shanghai Municipal Planning Committee and the bureau of higher learning, foreign-funded enterprises can contact universities and colleges to select university and college graduates before the schools make official assignment plans for the graduates.

The circular urges universities and colleges in Shanghai to cooperate with foreign-funded firms and provide necessary conveniences.

Li Zemin Addresses Advisory Committee Veterans*OW3101131592 Hangzhou Zhejiang People's Radio Network in Mandarin 1000 GMT 31 Jan 92*

[From the "Provincial News Hookup" program]

[Excerpt] In a gathering this afternoon to usher in the festive season, veteran comrades of the Zhejiang Provincial Advisory Committee reviewed the past and looked forward to the future. With a cup of plain tea in hand, they wished each other good health and a happy new year of the monkey.

Provincial Party Committee Secretary Li Zemin attended the gathering and gave a speech. On behalf of the provincial party committee and the provincial government, he extended sincere solicitude and high respect to veteran comrades of the provincial advisory committee, and old party members and cadres across the province, who had either retired or resigned. [passage omitted]

Visits Media Workers*OW0202044092 Hangzhou Zhejiang People's Radio Network in Mandarin 1000 GMT 1 Feb 92*

[From the "Provincial News Hookup" program]

[Text] When Provincial Party Committee Secretary Li Zemin called on working personnel at the Zhejiang People's Radio Broadcasting Station and the Zhejiang Television Station today, he said: It is necessary for radio and television workers to continue to persist in the guiding principles of "unity, stability, and enhancing working enthusiasm" in their endeavors to vigorously propagandize our party's basic line in an all-around way to achieve the overall objective of building socialism with Chinese characteristics, to stress the central task of promoting economic construction, to increase the amount of propaganda work for reform and the open policy, and to create an environment of public opinion that is favorable for implementing reform and the open policy so that people throughout the province may understand, support, and participate in reform during the new year.

Li Zemin also talked about his opinions on how to do a good job of carrying out propaganda for reform and the open policy. His opinions included the following three points:

1. The necessity to propagandize the general policy guiding implementing reform and the open policy advocated by Comrade Deng Xiaoping is the basic policy that our party will persist in and will not change for a protracted period of time to come.
2. The necessity of propagandizing reform and the open policy is an important part of our endeavor to build socialism with Chinese characteristics.
3. It is necessary to use integration between theory and practice as an illustration to clearly explain the relationship between reform and the open policy and adhering to

the four cardinal principles and between reform and the open policy and the call for making economic construction our central task.

Accompanied by (Fang Wen), deputy director of the provincial department of radio and television, Comrade Li Zemin visited the Zhejiang People's Broadcasting station at 1000 this morning to extend season's greetings to the working personnel. He cordially shook hands with editors, reporters, announcers, engineers, and technicians who were working at their posts and wished them a Happy Chinese New Year. He said: Working hard under difficult situations, comrades of the radio station produced very successful results from their propaganda and reports last year. They did a relatively good job of propagandizing our party's basic line and the important plans drawn up by the provincial party committee and the provincial government as well as the various central tasks they had decided upon, and they stressed the central task of economic construction. The provincial party committee and the provincial government are satisfied with their work. Touching on the radio station's specialization economic news, Comrade Li Zemin said: The programs offered by the radio station specializing in economic news deal with matters of immediate interest to the masses and their lives and, as such, are more suited to the needs of listeners of various strata. He expressed the hope that all the comrades working at the radio station will make persistent efforts to do an even better job of radio propaganda work.

After he left the Zhejiang People's Radio Broadcasting Station, Comrade Li Zemin arrived at the provincial radio and television center, which was inaugurated recently, to call on working personnel at the Zhejiang Television Station and met with some of the comrades of the production unit for the television series entitled "The Divine Fire of China."

Central-South Region**Zhu Senlin Wishes Happy Spring Festival to Taiwan***OW0202122592 Beijing XINHUA in English 1158 GMT 2 Feb 92*

[Text] Guangzhou, February 2 (XINHUA)—Zhu Senlin, governor of Guangdong Province, has extended, on behalf of the Guangdong people, Spring Festival greetings to Taiwan compatriots on the other side of the Taiwan Straits.

The governor sent the congratulation through the radio "Voice of the Straits" yesterday.

He also thanked the Taiwan compatriots for their concern and support for Guangdong economic constructions in the past year.

Zhu said in his broadcast speech that in the past year, Guangdong Province received more than 1,025,000 Taiwan people in and out of the mainland through the provincial customs, 7.2 percent more than that in 1990.

Of those people, 23,000 Taiwan compatriots came to Guangdong to visit their family members or relatives while 592 Guangdong residents also went to Taiwan to visit their family members in 1991.

During the same period, the governor continued, the Guangdong trade volume with Taiwan increased by 61.8 percent comparing with the previous year.

The governor said, Guangdong Province will continue to strengthen economic cooperation with Taiwan, Hong Kong, Macao and foreign countries and welcome more Taiwan businessmen to invest in Guangdong in the new year.

He called for common efforts to realize at an early date the great cause of reunification of the motherland.

Journal on Guangdong Drug Abuse, Trafficking

HK3101134992 Hong Kong CHIUSHIH NIENTAI in Chinese No 264, 1 Jan 92 pp 50-53

[Article by Hua Lien-wen (5478 6647 2429): "Drug Abuse and Trafficking in Guangdong—Investigative Reports From Various Drug Abuse Locations and Detoxification Centers"]

[Text] There has been a dramatic increase in the number of drug abusers in recent years. As disclosed by public security officials, there are as many as 500,000 to 600,000 drug abusers in Guangdong, one-third of them being female. In villages and towns where drug abuse is popular, drug trafficking and drug abuse are protected by local cadres. These local despots, with political power, clan authority, and financial control in their hands, are drug barons under the guise of cadres.

In Sanyuanli, Guangzhou, stands an anti-British monument. It was erected to commemorate the local peasants' resistance against the British military invasion of Guangzhou over 100 years ago on the excuse that the Qing Government of China had banned the import of opium. Ironically, however, near that very monument in Sanyuanli today are gathered hundreds of young idlers every day. They are not here to pay homage to the martyrs who laid down their lives fighting drugs. Sadly, they are abusing or dealing in drugs instead.

Drug Abuse, Trafficking in Sanyuanli

Look here! Some young men and women in their late teens and early twenties cannot wait to stab the syringe loaded with heroin into their arms and buttocks already covered with fix marks.

Look over there! Some 15- or 16-year-olds are, with closed eyes, puffing away with all their might at cigarettes containing heroin, fantasizing and daydreaming.

On one side, some jean-clad youngsters are giving out sachets of heroin with one hand and greedily taking back stacks of Hong Kong bills and Renminbi notes with the other.

On the other side, some young ladies in sexy outfits are flirting with some rich self-employed businessmen. They are suffering from withdrawal symptoms and are bartering their souls and bodies for drugs.

This degenerate phenomenon of drug trafficking and drug abuse is not only found in Sanyuanli, Fangcun, Huangpu, and Xiguan in Guangzhou, but also frequently seen in Shenzhen, Baoan, Foshan, Zhongshan, Nanhai, Shunde, and even in Humen, Dongguan, where Lin Zexu had the opium burned.

500,000 to 600,000 Drug Abusers in Guangdong

As everyone knows, in Yunnan, bounded by Thailand and Burma, drug trafficking and drug abuse became a popular practice quite some time ago. In the past two years, in the Zhu Jiang Delta in Guangdong, which is known in the mainland as a region getting rich ahead of the rest of the country, drug trafficking and drug abuse are also escalating.

GONGMING [SYMPATHY 0364 7686], a magazine published in Guangzhou, reports: "The public security statistics indicate that before 1988, the number of drug consumers discovered in Guangdong was a mere 30 to 50 each year but this number has risen dramatically in recent years to 350 in 1989 and 1,431 in 1990. The actual number of drug abusers is much bigger than those discovered. In Guangzhou City alone, according to an estimate based on a survey by a relevant department, nearly 10,000 people are abusing drugs every day, consuming five kg of heroin worth tens of thousands of yuan." "Among the drug abusers, over 80 percent are young people, the youngest being 13 years old, and many of them are young women."

SHENZHEN TEQU BAO [SHENZHEN SPECIAL ECONOMIC ZONE DAILY] reported: "According to Shenzhen City Public Security Bureau's incomplete statistics, public security personnel discovered three drug abusers in 1989, 98 in 1990, and 285 from January to August 1991. During the antinarcotic cleanup in August, Luohu District alone ferreted out more than 20 cases of drug trafficking and drug abuse, involving 111 drug traffickers drug abusers. According to a survey, in a town (Shajing Town, as I later found out, formerly known in Guangdong and Hong Kong for its oysters) in Baoan County, there are at least hundreds of drug abusers. The reports from the public indicate a larger number of drug abusers in urban areas than expected." SHENZHEN TEQU BAO cried out in alarm: "Drug abuse is spreading in this city."

How many drug abusers are there in Guangdong today, after all? For fear of leaving a bad impression, the media in Guangdong did not dare to publicize the figure. However, some public security officials disclosed that there are as many as 500,000 to 600,000 drug abusers in Guangdong, one-third of them being female. More terrifying is the fact that the sort of drug they take most is No. 4 heroin, which is extremely difficult to detoxify. Small wonder the media in Guangdong, though flinching from

telling the truth, have to spill some information in their routine reports and articles and raise the alarm such as: "Drug abuse and drug trafficking, the consequences are horrific!"

On-the-Spot Investigation

Recently, we had a chance to visit the detoxification centers and drug abuse locations (commonly called "rice shops [mi pu 4717 6917]" in Guangdong) in Guangzhou, Shenzhen, Foshan, and Baoan, to investigate. We would like to publish our analysis of the reasons and evil consequences of the deteriorating drug abuse and drug trafficking.

Let us first briefly review the history of drug abuse, drug trafficking, and countermeasures to such practices in China, especially in Guangdong. China was once a country tragically trampled on and deeply disgraced because of opium. The site where British merchants started dumping opium into China was Guangdong. After the Republic of China was founded, during the tangled warfare among warlords, the warlords in Yunnan, Guizhou, and Hunan, without exception, collected money to expand their strength and poisoned the public by growing and trafficking in drugs. A document from mainland China shows that in 1948 and 1949, the area for growing opium poppies was some 1 million hectares and there were 300,000 drug makers and drug traffickers and as many as 20 million drug abusers.

In 1950, the Beijing authorities promulgated a "General Order for Banning Opium," followed by the arrest of over 80,000 drug makers and drug traffickers, of whom more than 800 were sentenced to death. By 1952, the drug peril was basically extinct in the mainland. Naturally, however, some CPC military and political VIPs, and people the CPC wanted to rope in, could still take drugs with permission from the authorities. In some of the frontier army reclamation farms, opium poppies were grown allegedly for pharmaceutical purposes, from which opium and heroin could be extracted.

Growing Opium Poppies To Make Exorbitant Profits

What are the reasons for the resurgence and escalation of drug trafficking and drug abuse in the mainland in recent years? Our investigation pointed to the following reasons.

1. The authorities installed the contract responsibility system on a household basis with remuneration linked to output in rural areas in the late 1970's and early 1980's. Land was distributed among peasant households for use and it was advocated that some people could get rich first. Some peasants in border areas, with the protection and connivance of local cadres, stopped growing nonlucrative grain crops and started growing opium poppies which are worth more than gold. The enterprises run by villages and towns extracted heroin from the poppies, which was then transported to other parts of mainland China or outside the borders for exorbitant profits. Some of those who lived near the Golden Triangle, stretching to Thailand and Burma, collaborated with overseas drug

traffickers. They stopped farming and started living on drug trafficking. Some of the drug traffickers in Yunnan ganged up with those from Guangdong and Hong Kong. Taking advantage of the geographical superiority of Guangdong, neighboring Hong Kong, and Macao, and the sprawling traffic routes, they smuggled drugs from the southwest to Hong Kong, through southern China, and then on to other countries. On 24 March 1991, a Hong Kong driver was found in Shatoujiao, Shenzhen, adjacent to Hong Kong, attempting to take 31.5 kg of "ice" (i.e. amphetamine, a strong drug) to Hong Kong and then to other countries.

The fishermen and oyster growers in Baoan are free to travel between Shenzhen and Hong Kong frequently. Many of them, besides being drug addicts themselves, also traffic in drugs and become nouveaux riches with millions in their pockets. In an oyster growing village in Shajing Town, Baoan County, almost all the men are said to be drug abusers and drug traffickers and virtually nobody is raising oysters. Particularly worthy of attention is that, according to the confessions of some arrested drug traffickers, opium poppies are grown not only in the villages of Yunnan, Guizhou, and Hunan, but also in Qinghai and Inner Mongolia, where people are growing and producing drugs to make money. This is the number one reason why drugs are flooding into Guangdong and many other places in mainland China.

Drug Addiction Comes Immediately After Prosperity

2. Many of the owners of private industrial and commercial enterprises, self-employed businessmen, peasants who live on subleasing land to those in poor areas, and those who employ and exploit the labor from other provinces by operating "three processings and one compensation" with foreign investment, have become rich ahead of others. They profit by the toil of other people, sit idly around, and lack spiritual ballast, so they try to find excitement in drug abuse until they are unable to extricate themselves from it. Most of the drug addicts who have been sent to, or have volunteered to enter, the detoxification center in Huo Village in the suburbs of Guangzhou City are self-employed businessmen who have recently made their fortunes. All the drug abusers in Shajing Town, Baoan, are young people who have reaped money from land sales or leases. They think they cannot make money by studying, so they do not have much knowledge of culture or science. After finding the ordinary pleasure-seeking activities, such as karaoke, no longer exciting enough, they start smoking foreign cigarettes, like Marlboro, Kent, and 555, to show how macho and trendy they are. The next thing would be mixing drugs into these foreign cigarettes. By and by, their addiction to drugs grows to such an extent that puffing at drugs no longer quenches the craving, so they start giving themselves heroin injections, covering their arms and bottoms with fix marks. When taking the injections, most of them mix heroin with mineral water. But some of them, when under a bad seizure, cannot wait to have the fix, so they use tap water or even dirty water in the street. Because drugs are very expensive, the price of No.

4 heroin being 80 to 120 yuan per gram, each drug abuser has to spend 100, a few hundred, or even 1,000 yuan on drugs every day. These people who have become rich ahead of others will soon be reduced to poverty again.

What is worth attention is that among all the drug abusers, there are CPC members, Communist Youth League members, and cadres. After becoming drug addicts themselves, they not only take drugs but also provide a shield for other drug abusers and participate in drug trafficking. It is no easy job for a No. 4 heroin addict to give it up because the addiction is like a devil that possesses the person. In the detoxification centers in Guangzhou, Shenzhen, and Baoan, many are found to be secretly taking drugs again while being detoxified. Some pick up the addiction again soon after being discharged from the centers and are arrested and sent back to the centers. Therefore, there are many "repeaters" and "multi-repeaters."

"Dropping Pants in Exchange for a Puff"

3. Our further investigation revealed that some of the drug abusers anesthetize themselves as an escape from reality because they are dissatisfied with the various corrupt phenomena in the actual society. They say: Real life is too dark and cruel. Taking drugs makes us forget the troubles of this world and gives us whatever we desire in fantasy. Life is but a dream and heroin can take people into wonderland. Many people indulge themselves in the fantasies of drug addiction in such a pessimistic and negative spirit and are unable to free themselves from it.

4. In Guangzhou, Shenzhen, and Baoan, some criminal groups with the nature of a secret society have been found to use drugs to rope people into stealing or prostituting themselves and become the sources of money for the gangs. In Guangzhou Detoxification Center there is a girl from northeast China. She came thousands of kilometers from the northeast to Guangzhou, after hearing the rumor that: "East, south, west, north, or center, Guangdong is the only place for a money-maker." On the way, she acquainted herself with some "good-hearted men" in the same train compartment. The long journey deeply tired her mentally, so one of the "good-hearted men" offered her a smoke, saying that smoking was refreshing. She took a puff and indeed felt much more spirited. Yet what she did not realize then was that all the cigarettes had been drugged. A few times afterward and she became addicted to the drugs, so much so that she felt she could not live without them. In order to earn money to buy the "cigarettes," these "good-hearted men" raped her and showed their true ferocious faces, forcing her to prostitute herself and give up all the money she earned from prostitution to this group of wolves in human clothing before she was given a few puffs to quench the craving. She once contemplated breaking away from the talons of this criminal gang but the unbearable suffering she had to go through from withdrawal symptoms made her continue to be manipulated.

In Guangzhou Detoxification Center, most of the young girls are ones who had to "drop their pants in exchange for a puff" after becoming addicted to drugs. There is a robbery gang in the Zhu Jiang Delta controlled by a drug baron: The "boys" of this gang have to pay tribute to the "old man" after each robbery operation to get some expensive and hard-to-come-by drugs.

Cadres Shield Drug Abusers, Traffickers

5. In Guangdong, it is also found that drug trafficking and drug abuse are protected by the local despots in some villages and towns with large numbers of drug abusers. These local despots have political power, clan authority, and financial control in their hands. They are drug barons under the guise of cadres, making piles by shielding drug traffickers. They live in villas, drive a Mercedes, and enjoy dainties and delicacies. Some of them take a few young and beautiful girls from outside Guangdong as concubines. These local despots are good at boasting, flattering, and pleasing their superiors. The villages and towns under their rule are designated as advanced units in socialist material civilization and spiritual civilization. The authorities once launched a cleanup, but some local despots, under the shield of their patrons, are still at large till this day.

Recently, the political and judicial departments of Guangdong Province set up a special work team to probe into the status quo of drug abuse throughout the province, especially in Guangzhou, Shenzhen, Zhuhai, and Zhongshan. The results of the investigation indicate that wherever drug abuse reaches, the general mood of the society is warped, the public security problem is serious, family structures are damaged, social stability is threatened, and many shocking tragedies happen. This special work team, through their investigation, have pointed to the following four expressions of the evil consequences of drug abuse:

"Trafficking in Drugs To Support Drug Abuse;" "Prostituting To Support Drug Abuse"

1. Drug abuse damages large numbers of otherwise healthy bodies and seriously spreads disease. The investigation shows that the harm that drug abuse does to human bodies finds concentrated expression in the following three aspects: First, it gives rise to pathological changes in the drug abusers' bodies and personalities. According to a survey conducted by Guangzhou City Detoxification Center among a batch of drug abusers, drug abuse leads to disorder of the autonomic nerves, personality disintegration, psychological abnormality, and a decline in sexuality in over 70 percent of them. The weight of those who have at least a one-year history of drug abuse generally drops by around 20 jin. Second, those who inject drugs suffer from cross infection of diseases. According to the examination of drug abusers conducted by the detoxification class in Shajing Town, Baoan County, half of them contracted hepatitis and over 30 percent had venereal disease. What is more worrying is that AIDS virus carriers have been found in

some places. Third, drug abuse causes death to overdoses. Five people died of drug overdoses in just over one year.

2. Drug abuse ruins the young generation and endangers the future of the nation. Today, most of the drug abusers in Guangdong are young people. After they become addicted to drugs, they are not only ruined physically but are also listless, disinterested in study or work, and abandon themselves to vice. To take that little bit of narcotics through smoking or injection is totally out of their own hands.

3. Drug abuse leads to a large number of repulsive social phenomena and serious criminal activities. Because drugs are so expensive, drug abuse costs a great deal of money, which cannot be covered by the normal income of ordinary drug abusers. Therefore, some of them start to "traffic in drugs to support drug abuse," i.e., making money through drug trafficking to cover drug abuse expenses. Among all the drug abusers discovered, at least 10 percent were also drug traffickers. In some cases, whole families are into drug abuse and drug trafficking. In the Chen family, in Guangzhou, the couple, two sons and their wives, and a cousin were all drug addicts, and the private teacher they later employed also became a drug addict. In order to facilitate drug abuse and make money for the purchase of drugs, they ganged up and started a "rice shop" (i.e. a place for storing and selling drugs) at home, so that their fellow drug addicts could come and take drugs together. This family made over 100,000 yuan from this business but spent it all on drugs for themselves.

Some drug-taking women also "prostitute themselves to support drug abuse." A 19-year-old girl in Shenzhen had no money to buy the drugs to which she had become addicted, so she started prostituting herself and used the money earned to buy drugs. A middle school girl in Guangzhou City Detoxification Center who used to prostitute herself for drugs is only 15 years old. In order to buy very expensive drugs, many people risk danger by, in desperation, robbing, blackmailing, and committing all sorts of offenses against law and discipline. Among the drug abusers discovered in Shenzhen and Zhuhai, about 20 percent committed crimes of robbery, larceny, or smuggling and about one-third of them joined blackmail or robbery gangs. In the early morning of 7 April 1990, a Mr. Wen [2429] from Hong Kong, who had come back to visit his ancestral grave in Baoan and was going home from a small shop on the edge of a village, was robbed of his gold necklace and chopped to death by the robbers. The murderer, Wen [2429] something and his two accomplices committed the robbery and murder just because they needed money for drugs. The motivation for the robbery gang headed by another Wen, who were arrested in Shenzhen on 24 June last, was also related to drugs.

Deng Hongxun Urges 'Further Freeing Our Minds'

HK0202013092 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 26 Jan 92

[Excerpt] The two-day provincial conference on economic restructuring ended in Haikou this afternoon.

The meeting evaluated last year's local economic structural reform and set, after discussion, related key tasks for this year. The participants reached a consensus, clearly defined the direction, and increased their confidence. This will play an important role in developing the special economic zone and opening it wider to the outside world.

Provincial party committee Secretary Deng Hongxun gave an important speech. Executive Vice Governor Bao Keming presided over the meeting.

In his speech, Comrade Deng Hongxun stressed that 1992 is a crucial year for Hainan to achieve extraordinary economic growth. He said, it is necessary for us to seize the favorable opportunity, increase the [words indistinct] of the reform, and accelerate the reform. We should try to make fairly great progress in changing the enterprise operational and price-fixing mechanisms, developing an intellectual market, and improving the government's administration over economic affairs to develop an export-led economy. [passage indistinct]

Comrade Deng Hongxun emphasized: Further freeing our minds from old ideas is fundamental to accelerating the current reform. After several years of efforts, Hainan's reform has entered a new phase characterized by deep-seated reforms. This is different from the reforms in previous stages. At the current stage, whether the content of reform will be increased and the pace quickened lie in whether the cadres and civilians alike will further emancipate their minds. This will serve to test whether or not we are real reformists. If one shrinks back when the reform infringes upon his individual interest, he is not a real reformist. [passage omitted]

Guan Guangfu Addresses Hubei Plenary Session

HK0302055392 Wuhan Hubei People's Radio Network
in Mandarin 1000 GMT 28 Jan 92

[Text] HUBEI RIBAO today carried from its front page onwards a full-text speech delivered by provincial party committee Secretary Guan Guangfu at the enlarged seventh plenary session of the fifth provincial party committee on 14 January.

Guan Guangfu's speech is divided into the following four parts:

1. To brace up to mobilize and lead cadres and people in the rural areas to tenaciously forge ahead to bring about a comfortably well-off life.
2. A basic guiding ideology for strengthening the provincial agricultural and rural work.

3. Some major and thorny problems to be tackled in the course of rural reform and economic development.

4. To strengthen and improve party leadership over the rural work.

Guan Guangfu pointed out in his speech: To successfully attain the strategic goal of realizing a comfortably well-off life within the 1990's, we must closely follow this guiding ideology: To constantly give top priority to agricultural development in the course of overall economic construction; see stabilizing and perfecting the party's rural policies and protecting and mobilizing peasants' enthusiasm as a basic point of departure in doing all sorts of rural work; enhance a concept of developing the socialist commodity economy in accordance with all the clear-cut key points as well as the main orientation as decided upon by the central authorities; strive to deepen reforms and expand opening up; continually readjust and rationalize the rural industrial structure; comprehensively develop the rural economy; redouble efforts to increase channels for achieving prosperity to bring prosperity to people, villages, townships, and counties; firmly cultivate the concept that science and technology are the primary productive forces; actively implement a strategy of promoting agricultural development through science and education; increase agricultural input; constantly strengthen both a material and technological basis for agriculture; beef up agricultural development reserve strength; step up spiritual civilization building, democracy building, and legal system building; constantly raise the standard of the two civilizations in the rural areas; and consolidate the socialist front in the rural areas.

When dwelling on the question of developing a socialized service system and invigorating circulation in the rural areas, Guan Guangfu stated: We must attach equal importance to production, service, and circulation. In developing socialized services, we must bolster the village-level service system; improve the township-level service system; strengthen and perfect the county-level service system, and establish and perfect a service system or network extending from counties, townships, down to villages with an eye on providing agriculture-oriented multifunctional and multiproject comprehensive and complete services. The departments concerned must further straighten out their professional guiding ideology, orient their work to serving the grass-roots level, promote the rural economic development, build more service entities, and unify services with mutual benefits. More attention must be paid to solving the problem of circulation and vigorously opening up and building markets, including agricultural trade market, industrial trade market, and grain and oil crops market, as well as other types of specialized, wholesale, and comprehensive markets. Efforts must also be made to orient products to both domestic and international markets. It is necessary to remove all the existing unnecessary barriers to commodity circulation in a bid to facilitate commodity circulation. It is necessary to eliminate blockades and ensure a smooth commodity circulation between our

province and other provinces and regions, between urban and rural areas, and between various levels, thus securing a free flow of farm and sideline products into and out of the province.

When discussing the question of readjusting and rationalizing the industrial structure, Guan Guangfu emphatically stated: We must at once actively push ahead with readjustment and proceed from actual local conditions. We must not only ensure a steady grain output increase but also increase channels for achieving prosperity. We must exert our utmost to basically stabilize the grain growing area, try to increase the per unit area grain yield, ensure a high total grain output by increasing the per unit area grain yield, and gradually develop improved grain strains and improve grain quality while steadily increasing the total grain output. At present, we must raise the proportion of all readily marketable crops, including quality rice, wheat, barley, and maize, as well as food grains other than rice and wheat. The areas with a high grain commodity rate must make particular efforts to ensure a high and stable grain output as well as a high efficiency on the basis of an improved grain quality. Guan Guangfu noted: Township and town enterprises must shoulder the chief responsibilities for bringing about a comfortably well-off life for the peasants. To this end, they must simultaneously stress four work aspects, accelerate development speed, and continually raise efficiency. They must orient their production towards market demand, produce more readily marketable products, avoid setting up an industrial structure identical to that of other types of enterprises, and avoid blindly producing what other types of enterprises produce. We must increase agricultural input, find more sources for raising agricultural funds in all directions and through all channels, establish and perfect an agricultural investment system, strive to promote a comprehensive agricultural development through science and education; and see such as a strategic measure for pushing Hubei agriculture onto a new stage, organize the province's scientific and educational forces to play a better role, and adopt forceful measures and join the efforts of both higher and lower levels to lighten the peasants' heavy burden.

When speaking of strengthening and perfecting party leadership over the rural work, Comrade Guan Guangfu pointed out: Party committees and governments at all levels must firmly cultivate a mentality of simultaneously grasping two aspects of work. Only thus will we be able to effectively organize and mobilize the peasants to attain our grand strategic goal. To this end, it is necessary to vigorously step up party and government organizations building at township and town level. At present, we must earnestly further the socialist ideological education in the rural areas, adhere to a high standard, and avoid doing things in a perfunctory manner, as well as organize and set off a new upsurge of supporting agricultural production. All departments concerned must continue to develop the spirit they displayed in fighting natural calamities, continually do practical and good things for the peasants, and consciously straighten out various professional malpractices.

Chen Bangzhu Addresses Economic Work Meeting*HK0202013292 Changsha Hunan People's Radio
Network in Mandarin 2300 GMT 23 Jan 92*

[Text] Governor Chen Bangzhu and Vice Governor Yu Haichao addressed the provincial conference on economic work and technical innovation yesterday. They hoped governments at all levels and comrades serving economic departments would further deepen reform and opening up and shift the focal point of economic work to readjusting the structure and raising economic efficiency, working hard to fulfill the 1992 economic targets.

The meeting maintained that revitalizing Hunan's industry lies in promoting technological progress. Therefore, it is necessary to further seek unity of thinking, make vigorous efforts to develop new products, introduce and spread the use of advanced technology, and carry out technological innovation, breathing new life into the campaign to stimulate technological progress in enterprises. We should try, through years of hard work, to build a number of key backbone enterprises and develop a whole set of brand-name products, which will have a impact on the country's economy, and a number of pillar industries which bear local characteristics to markedly raise the quality of Hunan's industry as a whole.

The meeting also defined clear requirements for changing the enterprise operational mechanism, readjusting the structure, and fulfilling the targets of industrial production and transportation for the first quarter.

Southwest Region**Liu Zhengwei Addresses Enlarged Plenary Session***HK3101152692 Guiyang Guizhou People's Radio
Network in Mandarin 2300 GMT 27 Jan 92*

[Excerpts] The enlarged Sixth Plenary Session of the Sixth Guizhou Provincial CPC Committee was convened in Guiyang 23-27 January 1992.

The plenary session was attended by the provincial party committee members and alternate members, the provincial advisory committee members, the provincial discipline inspection commission members, party-member comrades in charge of the provincial people's congress, the provincial government, the provincial Chinese People's Political Consultative Conference committee, and the provincial military district, various prefectural, autonomous prefectural, city, and county party committee secretaries, prefectural commissioners, autonomous prefectural directors, county magistrates, as well as principal persons in charge of various provincial departments, offices, commissions, and bureaus as well as higher learning institutions.

The plenary session was presided over by the Guizhou Provincial CPC Committee Standing Committee members.

Liu Zhengwei, secretary of the Guizhou Provincial CPC Committee, delivered an important speech.

The plenary session relayed the spirit of a speech made by General Secretary Jiang Zemin during his recent inspection in Guizhou and a speech made by Jiang Zemin at a meeting of co-conveners of the Eighth Plenary Session of the 13th Party Central Committee.

The plenary session also relayed the spirit of a speech made by General Secretary Jiang Zemin and a speech made by Premier Li Peng at the Central Nationalities Affairs Work Conference.

The plenary session deliberated and adopted the Provincial Party Committee Resolution on Implementing and Carrying Out the CPC Central Committee Decision on Further Strengthening Agricultural and Rural Work as well as deliberated and adopted a decision on the convocation of the Guizhou Provincial Party Congress.

In his important speech entitled: "Unswervingly and Comprehensively Implement Party's Basic Line, Strive To Greet Convocation of 14th Party Congress With Excellent Achievements," Liu Zhengwei comprehensively summed up the provincial work over the past year. Liu noted: Over the past year, under the correct leadership of the party Central Committee, the people of all nationalities across the province have overcome enormous difficulties, united as one, forged ahead, and won the first battle in implementing the 10-Year Program and the Eighth Five-Year Plan. Though hit by unprecedentedly severe flood and waterlogging disasters, our province reaped a good agricultural harvest. Our grain output and main economic crops output reached an all-time high. Our animal husbandry production witnessed sustained growth for 13 years running. Our industrial and communications productions developed steadily despite countless difficulties. We enjoyed sufficient market supply in both urban and rural areas. [passage omitted]

Liu Zhengwei pointed out: This year is the second year for implementing the Eighth Five-Year Plan. In order to further develop the fine provincial situation, the guiding ideology for this year's provincial work is: To unswervingly and comprehensively implement and carry out the party's basic line, adhere to the spirit of the Central Work Meeting, the Eighth Plenary Session, the Central Nationalities Affairs Work Conference, as well as an important speech made by Comrade Jiang Zemin during his inspection in Guizhou as guidance, continually grasp three major tasks, namely, economic development, party building, and social stability maintenance, and strive to greet the convocation of the 14th National Party Congress.

Liu Zhengwei emphatically called for strengthening the following 10 aspects of work:

1. To step up implementation and successfully carry out agricultural production and rural work. [passage omitted]

2. To readjust structures, increase efficiency, and push ahead with both economic work and family planning work. [passage omitted]
3. To unremittingly implement the strategic principle of promoting Guizhou's development through science and technology and closely integrate science, technology, education, and economy. [passage omitted]
4. To actively and assuredly further all sorts of reforms. [passage omitted]
5. To conscientiously implement the spirit of the Central Nationalities Affairs Work Conference and strive to open up new vistas for the provincial nationalities affairs work. [passage omitted]
6. To comprehensively publicize the party's basic line and push ahead with socialist spiritual civilization building. [passage omitted]
7. To take practical steps to safeguard political and social stability and conscientiously further comprehensive social order harnessing. [passage omitted]
8. To consolidate and develop a patriotic united front on a broadest possible scale. [passage omitted]
9. To strictly manage the party and comprehensively step up party building. [passage omitted]
10. To unify ideology, step up implementation, and heighten leadership standard of cadres at all levels. [passage omitted]

Liu Zhengwei concluded his speech by pointing out: In face of these arduous and glorious work tasks set for 1992, the provincial party committee now calls on leading cadres at all levels as well as people of all nationalities across the province to maintain a strong fighting will, brace up, further emancipate minds, seek truth from facts, work in a down-to-earth manner and in a pioneering and enterprising spirit, exert their utmost to successfully accomplish all the tasks set for this year, and strive to greet the convocation of the 14th National Party Congress and open up new vistas for the provincial modernization drive, reform, and opening up.

Wang Chaowen, Su Gang, Zhang Yuhuan, Miao Chunting, Long Zhiyi, Liang Minde, Zhang Shukui, Liu Hanzhen, Zhu Qi, Wang Siqi, and Yuan Ronggui were seated at the rostrum.

Pu Chaozhu Attends Journalists' Meeting

HK3101151192 Kunming Yunnan People's Radio Network in Mandarin 1000 GMT 26 Jan 92

[Excerpts] Last night, colorful lamps shone, beautiful songs were sung, and bursts of applause were made in Kunming (Guofang) Club. The Yunnan provincial Spring Festival party for the press circles and financial circles was a joyous occasion. Provincial party Secretary Pu Chaozhu; (Fang Dian), member of the Standing Committee of the Provincial Advisory Commission; and Vice Governor Chen Liying attended the party and sent Lunar New Year greetings to everyone and wished them a happy Lunar New Year. [passage omitted]

Comrade Pu Chaozhu gave a speech, which was full of warmth. On behalf of the provincial party committee, he

expressed heartfelt regards and gratitude to comrades that work hard on shifts around the year on the front of the press, and reporters that go deep in society and in life despite numerous difficulties and hardships. Comrade Pu Chaozhu pointed out: The provincial party committee and provincial government are satisfied with our province's news reporting. Comrades on the front of the press stick to the party's basic line of one center, two basic points, adhere to the correct news orientation in the very light of Yunnan's actual situation and characteristics and with solidarity, stability, and energy as the target, thus promoting the development of the two socialist civilizations. They have done better year after year in reporting for propagating and introducing Yunnan and increasing Yunnan's popularity and obtained better results year after year. Comrade Pu Chaozhu hoped everyone would explore the way forward and do the press work in a still better way.

As he was busy with another job, Governor He Zhiqiang could not attend the meeting. He wrote a message of Lunar New Year greetings, which said: Our journalist undertaking cannot be separated from the support of the financial circles, whereas the financial circles cannot be separated from the help of the press circles. That you cooperate and jointly do each other's undertakings will promote the fulfillment of our province's plan of making the people wealthy and invigorating Yunnan. He wished in advance the press circles still better results in propaganda work and the financial circles a new achievement in the Year of the Monkey so that they would vigorously push the great cause of our province's reform and opening to a new level. [passage omitted]

Attends New Year Tea Party

HK0302102992 Kunming Yunnan People's Radio Network in Mandarin 1000 GMT 29 Jan 92

[Text] The provincial Chinese People's Political Consultative Conference [CPPCC] Committee auditorium was permeated with a joyful and festival atmosphere yesterday afternoon.

Provincial party, government, and military leading comrades and nearly 300 representatives of the people of all nationalities and all walks of life happily gathered together at a tea party held in celebration of the impending arrival of the Lunar New Year Festival.

Provincial CPPCC committee Chairman Liu Shusheng presided over the tea party.

Pu Chaozhu, secretary of the Yunnan Provincial CPC Committee, delivered a speech at the tea party.

On behalf of the provincial party committee and government, Pu Chaozhu first and foremost extended festival greetings and cordial regards to all the comrades and friends as well as all the CPPCC committee members. Pu said: Last year, our province, like other parts of the country, enjoyed a fine political and economic situation. Our province reaped a good agricultural harvest, with

the total provincial grain output reaching an all-time high. The output of various major economic crops also increased by a large margin. The total provincial industrial output value went up by 9 percent compared with the year before. The provincial financial revenue increased steadily. The whole province enjoyed a sufficient market supply and stable commodity prices. The people lived and worked in peace and contentment. The solidarity among the people of various nationalities was also further consolidated. The provincial united front was expanded on an unprecedentedly broad scale. The CPC-led multiparty cooperation and political consultation system was constantly perfected. All these achievements are the result of the concerted efforts made by the party organizations, governments, and CPPCC committees at all levels as well as by various democratic parties, various people's organizations, personalities of all walks of life, and people of all nationalities across the province.

Pu Chaozhu stated: Building socialism with outstanding Chinese characteristics is a great cause unknown in past history. Our burden is heavy and our road is long. The key task at present is to successfully build our party and turn our party into a stauncher core capable of leading the people of all nationalities across the country to realize the socialist four modernizations. We must continue to adhere to the principle of long-term coexistence, mutual supervision, showing utter devotion to each other, and sharing honor and disgrace, strengthen both intimate cooperation with personalities of various democratic parties and nationality solidarity, and safeguard the unity of the motherland.

Yesterday afternoon's tea party was also attended by provincial party, government, and military leading comrades, including He Zhiqiang, Yin Jun, Qiu Chuangjiao, Ren Keli, Hou Qunying, Dang Xiangmin, Wang Yan, Chen Shenglian, Yang Ming, Zhao Tingguang, Liang Lin, Yang Kecheng, Li Jin, Dao Shixun, Yang Weijun, Luo Yuntong, Chen Lianfu, Wang Zhixue, Deng Fuquan, Yang Zhaizhong, and Zhen Yanxin, as well as former provincial CPPCC committee veteran leaders and former Kunming City leading comrades.

The Kunming City Nationality Song and Dance Troupe and the Yunnan Provincial Military District Border Defense Song and Dance Ensemble staged excellent entertainment performances at the tea party.

North Region

Xing Chongzhi on Ideological Education

SK0102133692 Shijiazhuang HEBEI RIBAO
in Chinese 1 Jan 92 pp 1, 2

[Text] On 30 December 1991, Xing Chongzhi, Li Bingliang, Chen Yujie, and Han Licheng, leading comrades of the provincial party committee, heard a report of the provincial party committee's office for socialist ideological education, holding that the current stage for accomplishing three tasks was the key stage of socialist

ideological education. They held: The tasks for this stage are very arduous, and we should make unremitting efforts to make them successful. Starting with the problems with which the masses are most dissatisfied and to which solutions are demanded most urgently, rural work teams should coordinate their efforts to conduct ideological education closely with those to solve problems and fulfill the three tasks comprehensively. In the villages where the socialist ideological education is conducted, they should make sure that 1) good leading bodies capable of leading the people to affluence are established so that village committees, economic associations, and other organizations can carry out fruitful work under the leadership of party branches, 2) economic policies are conscientiously carried out, the dual management system is improved, contracts on various trades of work are improved, services urgently needed by the masses are provided, and the collective accumulation system is established, and 3) the spiritual civilization is promoted successfully, the ideological and political work system is established, unhealthy trends are checked, and family planning is institutionalized and standardized.

Xing Chongzhi pointed out in his speech: Judging from the general situation, most localities had a fairly good beginning in the rural socialist ideological education, but some localities had a poor beginning. The present focus of work is to expand to the maximum the villages which have done a fairly good job and reduce to the minimum those which have done a poor job. Based on experiences and the current actual conditions, we should further emphasize the following work.

First, leading persons at all levels should earnestly pay attention to education. Facts proved that as long as the provincial party committee as well as prefectural, city, county, and township party committees earnestly pay attention to it, good results will be achieved and the number of the villages which conduct the education superficially will be reduced to the minimum. Judging from the present situation, many localities regarded the rural socialist ideological education as the strategic task of rural reform and development and the basic work for mobilizing and organizing peasants to achieve the 100-percent increase and a fairly comfortable life, devoted vigorous and major efforts to it, and have achieved very good results. However, there are also some localities which have failed to achieve substantial results or even performed their work superficially because they did not understand the importance of the rural socialist ideological education from this perspective, did not place it in its due position, and even did not earnestly pay attention to it. In his speech to the eighth plenary session of the party Central Committee, Comrade Jiang Zemin pointed out that whether the socialist ideological education is successful is decided by whether party committees at all levels pay attention to it persistently and earnestly. We should enhance party committee's understanding in line with the guidelines of the eighth plenary session of the party Central committee and the demand of the general secretary. To truly achieve a fairly comfortable

life, we should truly pay attention to the socialist ideological education. The major leading comrades of prefectural and county party committees should devote major efforts to it. City party committees should also assign one leading comrade to stay in selected villages, not only advanced ones but also backward ones, to attend to education particularly so as to promote the work in other villages. Leading comrades who are sent to attend to the education particularly should spend more than 15 days in the villages a month. Members of leading bodies at all levels who are assigned to attend to the education should stay in the selected villages and hold the responsibility for their work. One member should be responsible for several villages, conduct inspections, give guidance, and provide assistance to the villages one by one, and never do a superficial job.

Second, work teams should make real efforts. It represents not only a great motivation to rural work but also a very good training for cadres that such a large number of work team members live in villages and earnestly help the masses solve problems. Work teams should be organized to conduct study and make improvement at regular intervals. Not only should this be done in every work stage, but also short-term training should be held during every stage to improve work styles, study policies, and exchange experiences. Work teams should not only improve their ideological level and work ability in the process of practice but also train a great number of cadres with both political integrity and ability.

Third, the rural socialist ideological education should be conducted in such a way that local specific issues are resolved. In every village, the economic foundation and work situation are different, and so are the "notorious problems" the masses are concerned about and their demands. During the education, we should focus on the major issues on the reform and development of every village and concentrate efforts to resolve them. Only when the major issues are resolved can we avoid a superficial job. Work teams should never consider their work completed after helping the masses build some roads or plant some trees. Such work should be done, but they must resolve the major issues of the villages. The most important one of the major issues is to successfully build party branches, which is not only the focus of the socialist ideological education but also the key to and criterion for a success of the education. The education can be considered successful when a truly good party branch secretary is selected and a good party branch established after the education. Meanwhile, we should implement well the party's various rural policies, improve the dual management system, succeed in promoting the spiritual civilization, check various unhealthy trends, and fulfill the three tasks comprehensively.

Fourth, ideological education should be conducted through to the end. Ideological education should facilitate the efforts to solve problems, which, in turn, should intensify the ideological education. When solving specific problems, we should have a good command of

policies and emphasize work methods. We should make conscientious efforts to straighten out the chaotic financial situation of some villages which the masses are most dissatisfied with. We should invite financial, tax, and auditing departments to participate in this work, and these departments should conscientiously perform their responsibilities. The economic problems of village cadres should be thoroughly investigated and properly dealt with. Regarding ordinary problems, we should conduct education, instead of giving punishments, to persuade them to return or compensate for what they have unlawfully taken so as to win the forgiveness of the masses. The method of education should be applied as much as possible and punishment should be given as little as possible. Those who violate party discipline, administrative discipline, and laws should be dealt with by pertinent departments.

Inner Mongolia Approves Housing Reform Plan

SK0202103892 Hohhot Inner Mongolia People's
Radio Network in Mandarin 1100 GMT 1 Feb 92

[Text] The General Office of the regional government formally approved the housing reform implementation plan of regional-level organs. The specific implementation plan is: The original households living in public old houses built and commissioned before 1 January 1985 and whose housing areas were within the prescribed standards should pay 0.25 yuan for renting every square meter of multiple-story houses of brick and concrete structure monthly. Appropriate adjustment should be made for rental charges for those households living on a different floor. The cash deposit system should be implemented for renting new public houses built after 1 January 1985 and for the reallocation of old public houses. Households should pay a cash deposit for renting houses according to a definite proportion of the construction areas. Households who have paid a cash deposit for renting houses and paid rental charges according to stipulations should receive interest at an interest rate of current saving deposit offered by a bank from units holding the property rights. This interest sum and the cash deposit should be paid back to households if they move away from the houses they rent. Households living in old multiple-story houses and which have paid the cash deposit should pay 0.2 yuan for renting every square meter of usable floor areas, and those living in new houses should pay 0.5 yuan.

The adjustment of rent for houses of the provincial-level organs will be implemented on 1 January 1992. While adjusting the rent standard of public houses, it is necessary to do a good job in selling public houses in a well-organized and planned manner. Before the 1992 year-end, workers who buy public houses can still enjoy preferential terms. The ratio of preferential terms is: Those who buy new houses may enjoy 30 percent discount off the standard price, and those who buy old houses may enjoy 40 percent discount off the standard price. Those who pay the total house purchasing sum at once will have 20 percent discount off the preferential

price. Beginning from 1993, the ratio of preferential terms will be reduced every year.

The implementation plan also stipulates the property right after the purchase of houses. In addition, it also makes stipulations on raising funds to build houses and on the management of funds.

Tianjin's Tan Shaowen at Forum of Press Workers

SK0202115492 Tianjin People's Radio in Mandarin
2300 GMT 30 Jan 92

[Text] On the afternoon of 30 January, Tan Shaowen and Nie Bichu, leading comrades of the municipality, invited representatives of the central press units stationed in Tianjin and the municipal press units to a forum to solicit their opinions, to hear their requirements, and to discuss ways for how to improve press and propaganda work in 1992.

Representatives of various press units vied with each other to make speeches at the forum.

They maintained: In the past year, Tianjin Municipality ceaselessly pioneered new ways, made new achievements, and accumulated new experiences in developing the economy, accelerating the pace of reform and opening up, keeping close contacts with the masses, and doing concrete deeds for the masses; and provided vast fields for news reports.

They maintained: In 1992, we should concentrate energy on propagating the municipality's reform, opening up, and economic construction situation, and beat gongs to clear the way for Tianjin's economic leap.

Leading comrades Tan Shaowen and Nie Bichu conscientiously heard the speeches of press workers, frequently affirmed their speeches, and answered their questions.

In their speeches, municipal leading comrades first highly affirmed the municipality's propaganda and report work achievements made by the central press units stationed in Tianjin and the municipal press units in the past year and extended cordial regards to the vast number of press workers.

Municipal leaders urged that in the new year, press workers should ceaselessly upgrade their political understanding and professional work abilities, further go deep to the grass roots, strive to improve the quality and range of the press report work, further make certain that the press and propaganda work is well-received by the masses, and play a key role in helping to enhance the morale of the masses by narrowing the contacts between the party and government and the masses and by serving the building of socialism with Chinese characteristics.

Municipal leaders also pointed out: This year, we should also be determined to reduce and improve reports on meetings and on the activities of leading comrades and to avoid practicing formalism in news reports.

Northeast Region

He Zhukang Issues Certificates to Intellectuals

SK0202130892 Changchun Jilin People's Radio
Network in Mandarin 1030 GMT 30 Jan 92

[Excerpts] The provincial party committee and the provincial government held a grand ceremony on 30 January to issue certificates to the specialists, scholars, and technicians enjoying special allowances of the provincial government, and those with outstanding contributions to the state.

He Zhukang, Zhang Fengqi, Huo Mingguang, Liu Yunzhao, Du Qinglin, Gu Changchun, Wu Yixia, Li Deming, Gao Yan, and Zhang Yueqi, leading comrades of the provincial party committee, the provincial advisory commission, the provincial People's Congress, the provincial government, the provincial committee of the Chinese People's Political Consultative Conference, and the provincial discipline inspection commission, issued certificates of government special allowances and certificates of outstanding contributions, as authorized for dispatch by the State Council, to 112 specialists, scholars, and technicians enjoying the special allowances of the government in 1990 and 1991 and 19 young and middle-aged scientists, technicians, and managerial specialists with outstanding contributions.

On behalf of the provincial party committee and the provincial government, He Zhukang, secretary of the provincial party committee, made a long speech entitled "Clearly Understand the Solemn Mission, Carry Forward the Spirit of Making Contributions, and Give Full Play to Abilities in Building Socialist Modernization."

He Zhukang said: Issuing special allowances of the government and selecting, promoting specialists with outstanding contributions, and doing concrete deeds for the vast number of intellectuals embodies the party's consistent policy on respecting knowledge and skilled persons. The proletarian revolutionaries of the elder generation and the party Central Committee with Jiang Zemin as its nucleus (have constantly maintained) that without the participation of intellectuals or the wisdom and intelligence of intellectuals, it will be impossible to achieve success in reform and construction. Therefore, achieving the work concerning intellectuals is an important task of the whole party. The party Central Committee and the State Council decided to issue special allowances of the government to the specialists, scholars, and technicians with outstanding contributions. According to the decision, Jilin Province has issued special allowances of the government to the specialists, scholars, and technicians with outstanding contributions. This fully indicates that the party and government have paid high attention to the broad masses of intellectuals, and that the party and the government have respected knowledge. Issuing special allowances of the government and increasing the pay for the scholars with outstanding contributions embodies [words indistinct]. This fully shows that the intellectuals will have great

prospects and be accepted and respected by society and the people so long as under the leadership of the party, they persist in the socialist belief, integrate themselves with workers and peasants, integrate themselves with practice, take the road of being socialist-minded and vocationally proficient, positively engage themselves in reform and construction, and give full scope to their wisdom and intelligence at the main battlefield of economic construction. Under the financially strained circumstances, the party and the government have adopted practical measures for improving the working and living conditions of the specialists, scholars, and technicians with outstanding contributions. This will further greatly mobilize the socialist enthusiasm of the intellectuals.

He Zhukang pointed out: The seventh plenary session of the fifth provincial party committee put forward the strategic concepts and the basic tasks for the economic, scientific and technological, and social development in the next decade. The key to realizing the province's second strategic objectives for the socialist modernization is to rely on scientific and technological progress.

Comrade He Zhukang urged that the vast number of intellectuals across the province should persist in the accurate political orientation; persistently take the road of being socialist-minded and vocationally proficient; consciously adhere to the basic line of the party; ceaselessly improve their ideological and political quality; strengthen the immunity to resist various wrong ideas, ideologically build an iron wall of opposing peaceful evolution; become ideological workers with political awareness, firm confidence, and professional ability; and make contributions to making Jilin flourish.

He Zhukang urged that party committees and governments at various levels should pay full attention to the work toward intellectuals under the new situation, try every possible means to provide necessary conditions for bringing intellectuals' abilities into full play, do more concrete deeds for intellectuals, make efforts to solve some prominent problems for intellectuals, create an atmosphere of bravely exploring and blazing new trails, and let the vast number of intellectuals happily devote themselves to the great cause of building socialist modernization. [passage omitted]

Wu Yixia, Standing Committee member of the provincial party committee and vice governor of the provincial government, chaired the ceremony. Yang Qingxiang, deputy director of the organizational department of the provincial party committee and director of the provincial personnel affairs department, read the namelist of the personnel enjoying special allowances of the government and the namelist of the specialists with outstanding contributions in 1991.

Attends Trade Department Rally

SK0202081592 Changchun Jilin People's Radio
Network in Mandarin 2200 GMT 1 Feb 92

[Text] It was learned from the summarization and commendation rally of provincial-level economic and trade

departments which ended on 31 January that in 1991 economic and trade workers across the province struggled as one and earned more than \$1 billion yuan in foreign exchange through export, thus enabling the province to make three big steps forward in a year and to overfulfill the objective set for the end of Eighth Five-Year Plan period four years ahead of schedule. Exports through barter trade topped \$100 million; the export of labor service involved more than 10,000 people; and utilization of foreign capital exceeded \$90 million, which was equivalent to one-third of the total sum used during the previous 10 years. Great progress was also made in foreign trade transport, building of export commodity bases, and commodity packaging.

The provincial summarization and commendation rally of economic and trade organs proposed that this year the general fighting objective of the economic and trade organs throughout the province is to raise foreign trade to a new level on the basis of stabilizing it at \$1 billion, to double the barter trade figure, to create a new situation in foreign economic and technological cooperation, and to further enhance the strength and vitality of economic and trade enterprises. Meanwhile, it is necessary to further emancipate thinking, and cultivate an ideology of flexible and market-guided operation, unceasingly improve the operational mechanisms of doing business independently, assuming sole responsibility for one's own profits and losses, acting with restraint, and seeking to develop through self efforts, fully display the integrated efficiency of economic and trade departments throughout the province and the export-oriented functions of all trades and professions, and strive to serve the economic invigoration of Jilin Province.

He Zhukang, secretary of the provincial party committee, attended and addressed the rally. Zhang Fengqi, chairman of the provincial Advisory Commission; Huo Mingguang, chairman of the provincial People's Congress Standing Committee; Liu Yunzhao, chairman of the provincial committee of the Chinese People's Political Consultative Conference; Li Deming, secretary of the provincial Discipline Inspection Commission; and Vice Governor Liu Xilin attended the rally.

At Spring Festival Tea Party

SK0302121892 Changchun Jilin People's Radio
Network in Mandarin 1030 GMT 2 Feb 92

[Excerpts] When Spring Festival arrives, everything looks fresh and gay. On the afternoon of 2 February the provincial party committee and the provincial government held the 1992 Jilin Provincial Spring-Festival Tea Party for personages from all circles at Changchun Nanhu Guesthouse. [passage omitted]

At 1400 provincial leaders He Zhukang, Wang Zhongyu, Zhang Fengqi, Huo Mingguang, Liu Yunzhao, Du Qinglin, Gu Changchun, Xiao Chun, Wu Yixia, Li Deming, Xiao Yuan, Feng Ximing, Ren Junjie, Cheng Shengsan, Cui Lin, Yu Ruihuang, (Qu Jinxiang), Xu Yuancun,

Chen Zhenkang, Ke Muyun, Liu Xilin, Wang Yunkun, Zhang Yueqi, (Huo Minghua), Gao Wen, Zhang Dexin, Luo Yuejia, and Jin Minghan attended the party. Also attending were Xie Anshan, president of the provincial Higher People's Court, and Li Xiangwu, chief procurator of the provincial People's Procuratorate. [passage omitted]

Ren Junjie, Standing Committee member of the provincial party committee and secretary general, presided over the party. He Zhukang, secretary of the provincial party committee, made a speech first. He said: With the approach of Spring Festival, a traditional Chinese national festival, we are having a tea party here for all circles of the province to celebrate Spring Festival. On behalf of the provincial party committee, I would like to wish a Happy Spring Festival to comrades and friends here and extend cordial greetings and holiday congratulations to the people of all nationalities in the province; to the vast number of workers, peasants, and intellectuals; to all officers and men of the People's Liberation Army stationed in the province and the Armed Police Forces; to public security cadres and policemen; and to the vast number of staff and workers of civil aviation and railway departments.

He Zhukang said: The past year was the first year to implement the 10-year program and the Eighth Five-Year Plan for economic and social development. Last year we conscientiously implemented the important instructions given by Comrade Jiang Zemin during his inspection tour of the province, carried out the guidelines of the seventh plenary session of the 13th party Central Committee and the central work conference, persisted in the four cardinal principles with focus on economic construction, and carried out reform and openness. As a result, the economy developed throughout the province, politics and society were stable, and new progress was made in building the two types of civilization. In addition, a bumper harvest was reaped in agriculture despite serious natural calamities. Industrial production picked up steadily despite numerous difficulties. Commodities on markets were ample, prices were stable, and the people's living standards were improved constantly. Relatively big progress was made in foreign economic relations and trade. Financial revenues increased, and the credit situation was improved somewhat. By upholding the principle of grasping the work with two hands, we improved and strengthened ideological and political work. Through three years' endeavor, the task of economic rectification was basically fulfilled, thus promoting the building of the socialist spiritual civilization. With a focus on ideology, we strengthened party building in an all-round way. New headway was made in building democracy and the legal system. Gratifying results were achieved in science and technology, education, public health, sports, culture, art, press, and publication undertakings, thus laying a solid foundation for fulfilling the second-step strategic goal of socialist modernization.

He Zhukang added: In this new year, the tasks we face are glorious but arduous. We should profoundly implement the guidelines of the eighth plenary session of the 13th party Central Committee and the central work conference, firmly and unswervingly implement the party's basic line, and continue to grasp the three major events known as developing the economy, strengthening party building, and safeguarding social stability. Proceeding from the reality of the province, by focusing on economic construction, we should deepen reform, expand the scale of opening up, go all out to successfully carry out structural readjustment and improve economic efficiency, strengthen party building, and make best use of political advantages to promote the steady development of the economy and society. [passage omitted]

Quan Shuren Attends Spring Festival Tea Party

SK0302012692 Shenyang Liaoning People's Radio
Network in Mandarin 1030 GMT 30 Jan 92

[Excerpt] On the afternoon of 30 January, provincial leaders and personages from various circles of the province gathered to celebrate the Spring Festival. Quan Shuren, Yue Qifeng, Shang Wen, Ma Shenglin, Xu Wencai, Wang Guangzhong, Xu Shaofu, and Ge Xifan, leaders of the province, as well as Guo Feng, Dai Suli, Li Tao, and Hu Yimin, veteran comrades of the provincial party committee, participated in the Spring-Festival tea party held for personages on all circles of the province by the provincial committee of the Chinese People's Political Consultative Conference [CPPCC] and the united front work department of the provincial party committee at the auditorium of the provincial CPPCC Committee on 30 January. Liu Qingkui, vice chairman of the provincial CPPCC Committee and director of the united front work department of the provincial party committee, presided over the party. Xu Shaofu, chairman of the provincial CPPCC Committee, delivered a congratulatory speech on behalf of the provincial CPPCC Committee and the united front work department of the provincial party committee.

Yue Qifeng, deputy secretary of the provincial party committee and governor of the province, made a speech at the party. On behalf of the provincial party committee and the provincial government, he first wished a happy Spring Festival to personages from various circles, to members of various democratic parties, to personages without party affiliation, and to patriotic personages from various circles. Then, he wished a happy Spring Festival and extended cordial festive greetings to workers, peasants, intellectuals, and cadres of all nationalities in the province, to commanders and fighters of the PLA units stationed in Shandong, to officers and policemen of the armed police corps, to public security cadres and policemen, to our compatriots in Taiwan, Hong Kong, Macao, and to Overseas Chinese who were concerned with the province's construction, reform, and openness and who made contributions to invigorating the province.

Yue Qifeng said: In the past year, we conscientiously implemented the guidelines of the instructions given by the CPC Central Committee and the State Council, deepened our understanding of the situation in our province, defined the guiding ideology and strategic priorities for the provincial economic development, reached unity in thinking, enhanced our morale, quietly immersed ourselves in hard work, and achieve new progress in all undertakings. At the same time, the province reaped a bumper harvest in grain, with the gross grain output topping 15 billion kg for the first time, or setting a record high. In particular, a breakthrough was made in development of township and town enterprises. Forestry, animal husbandry, sideline production, and fisheries developed in an all-round way. A favorable turn was made in industrial production, which had stagnated for a long period of time. The growth rate of industrial production picked up, and a favorable turn was made in marketing industrial products. The export-oriented economy developed further. New headway was made in opening Liaodong peninsula to the outside world. Commodity supplies were ample on markets, retail prices were stable basically, and the people's living standards improved further. Further progress was made in party building, the building of spiritual civilization, the building of democracy and the legal system, and social undertakings, such as science, culture, education, public health, and sports undertakings.

In the past year, the province also made further progress in building socialist politics with Chinese characteristics. The patriotic front was consolidated and expanded further, the system of multi-party cooperation and political consultation led by the CPC was further strengthened, and various democratic parties actively participated in and discussed political affairs and, in particular, did a great deal of fruitful work to promote the province's political stability and economic development. CPPCC organizations, various democratic parties, and various industrial and commercial federations conducted many investigations and studies to offer advice and opinions for reform, openness, and economic construction. All these achievements were the results of the united struggle of the people of all nationalities throughout the province as well as the results of the cooperation between various democratic parties and nonparty patriotic figures and the CPC.

Yue Qifeng said: In this new year, we should firmly and unswervingly implement the party's basic line known as one central task and two basic points, profoundly implement the guidelines of the central work conference and the seventh and the eighth plenary sessions of the 13th CPC Central Committee, focus all work on economic construction, continue to promote the development of educational and all other social undertakings in the course of developing the national economy so as to ensure the fulfillment of all of this year's targets. At the same time, we should actually strengthen party building, further attend to party building and improving administrative honesty, firmly and unremittingly struggle against

corruption, and constantly enhance the party's fighting capacity and cohesive force. We should firmly grasp education on socialist ideology, consciously resist peaceful evolution, strengthen the building of democracy and the legal system, consolidate and develop the patriotic united front. [passage omitted]

Dalian's Foreign-Funded Enterprises Yield Profits

SK0302090192 Shenyang Liaoning People's Radio
Network in Mandarin 1030 GMT 2 Feb 92

[Text] Last year Dalian approved 251 enterprises for direct investment by foreign firms, with the sum of contracts reaching \$518 million. By the end of last year, the number of foreign-invested enterprises in Dalian reached 770, with the total sum of contracts reaching \$2.8 billion. At present, 405 of them have gone into operation. Last year these 405 enterprises realized 3.718 billion yuan in output value and 130 million yuan in profits and taxes.

Progress Report on Dalian Industrial Garden Work

SK3001112592 Shenyang LIAONING RIBAO
in Chinese 30 Dec 91 p 1

[Text] The pre-phase capital construction work of the Dalian high new-tech industrial garden is ready at present. Thirty enterprises have been recognized as high new-tech enterprises, and 156 enterprises have applied for registration in the garden.

The construction of the Dalian high new-tech industrial garden was formally approved by the State Council in March 1991. It is composed of two parts, the Dalian Lingshui garden and the science garden of the economic and technological development zone, covering a total area of 13 square meters, of which 2.8 square meters are used for buildings for high new-tech industrial development, and 0.4 square meters are used by the science garden of the development zone. In the garden, there are 15 institutions of higher learning and secondary specialized schools and 58 research institutes and organs of various descriptions. The main scientific and technical force and trained personnel of Dalian are concentrated in this garden.

To do a good job in building this high new-tech garden, the Dalian party committee and government, in addition to formulating relevant management methods and detailed implementation rules, have also formulated "methods for implementing the relevant policies of the Dalian high new-tech garden," welcomed institutions of higher learning, research institutes, as well as large and medium-sized enterprises in the province to make investments in the garden by giving them all sorts of preferential policies in an effort to promote a rapid take-off of the high new-tech industrial zone. So far, this garden has 121 enterprises engaging in high new-tech development, and 156 enterprises have applied for registration for running high new-tech enterprises.

Northwest Region

Gu Jinchu Attends Tea Party for Retired Cadres

HK3101152592 Lanzhou Gansu People's Radio
 Network in Mandarin 2300 GMT 28 Jan 92

[Text] Yesterday afternoon, nearly 500 persons consisting of members of the provincial advisory commission and some retired veteran cadres directly under the provincial authorities gathered together joyfully in the auditorium of the Lanzhou (Ningwozhuang) Guesthouse to participate in the Spring Festival tea party for veteran cadres who were from units directly under the provincial authorities, held by the provincial party committee, provincial advisory commission, and provincial government. Provincial advisory commission Chairman Li Ziqi presided over the tea party. Provincial party Secretary Gu Jinchu gave a speech. In his speech, Gu Jinchu, first sent Lunar New Year greetings in advance to all veteran comrades and expressed warm regards and festive greetings to the province's retired comrades and dependents of deceased veteran comrades. After reporting to the veteran comrades the province's work focuses for this year, Gu Jinchu said: Veteran cadres are the precious treasures of the party and state. In the protracted revolutionary cause in the past, they made important contributions for the party and the people. Respect and concern for veteran cadres are our party's fine tradition. He called on party committees and governments at all levels to further strengthen and improve the work for veteran cadres in the new year, actively create conditions to enable them to count for something and be happy in their old ages and to spend their old age in a still better way. Jia Zhijie, Xu Feiqing, and some other party and government department leaders at and above the provincial level, and some retired cadres above the vice provincial level also participated in the tea party.

Zhang Boxing on Role of Press Units in Propaganda

HK3101151092 Xian Shaanxi People's Radio
 Network in Mandarin 0030 GMT 26 Jan 92

[Text] Yesterday afternoon, the provincial party committee convened a forum on press work. On behalf of the provincial party committee, Secretary Zhang Boxing and Deputy Secretary Mou Lingsheng participated and sent Lunar New Year greetings to all the comrades of press units in our province and those under the central authorities. After listening to the work reports given by various press units, Comrade Zhang Boxing said: Over the past year, news propaganda units have done a great deal of work. The provincial party committee is satisfied with this. He stressed that regarding news propaganda in the new year, it is necessary to focus on the following four aspects of work: First, it is necessary to stick to the party spirit of the proletariat, be the good mouthpiece of the party and the people, and steer the orientation of propaganda and public opinion in a still better way.

Second, it is necessary to propagate the need to stabilize the overall situation, economic construction, and party building.

Third, it is necessary to pay attention to the focal points and give thorough reporting of salient problems.

Fourth, it is necessary to attach importance to promptness and accuracy in propaganda and reporting. It is necessary to upgrade the political and professional quality of editors and reporters. It is necessary to go deep among the masses to conduct good investigations and studies. Moreover, it is necessary to continuously improve propaganda techniques which should be so lively and vivid that the masses love to hear and read their reports. It is necessary to change reporting at meetings, and give more positioned, persuasive, and soundly analyzed views for the party.

Visits Telecommunications Bureau

HK0302142592 Xian Shaanxi People's Radio
 Network in Mandarin 0030 GMT 28 Jan 92

[Text] Yesterday morning, provincial party Secretary Zhang Boxing and Xian City party Secretary Cheng Andong visited the staff and workers of the Xian City Telecommunications Bureau and sent them festive greetings. (Guo Zhicheng), Xian City Telecommunications Bureau head; (Zhang Guoying) and (Cui Yan), head and deputy head of the provincial post and telecommunications administration bureau, reported to Comrade Zhang Boxing about the current situations, prospects, and existing difficulties in the development of Xian City's and our province's telecommunications. Zhang Boxing pointed out: Post and telecommunications activities are directly connected with economic construction and play a vital role in social development. He said: The development of telecommunications is inseparable from the economic foundation, and telecommunications have to be appropriately developed in advance of the economic foundation. Although Shaanxi's telecommunications developments have been very rapid, they still cannot meet the social demand. Comrade Zhang Boxing encouraged the staff and workers of the Xian City Telecommunications Bureau to serve socialist construction in a still better way.

Bai Qingcai Speaks on Economic Structural Reform

HK0302101192 Xian Shaanxi People's Radio
 Network in Mandarin 0030 GMT 24 Jan 92

[Text] Yesterday provincial Governor Bai Qingcai spoke at a provincial work meeting on economic structural reform. He pointed out: The party and government place their hope on reform. As long as our province can smoothly implement some measures for reform which have been formulated or are being worked out, and make achievements in this regard, there will be solutions for deep-seated problems in our economic life. Economic difficulties which are now facing us will be greatly eased.

and the entire economic work will also be brought onto the development track of a benign cycle.

Bai Qingcai added: This year we shall strive to solve the deep-seated problems in our economic life from the aspect of the changes in our systems and mechanisms. Such reform at the deeper level will affect many aspects, and involve the readjustment of various quarters' interests. Instead of only benefiting from reform, the masses should also carry out some commitments. Therefore, we particularly need their understanding and support. This is the key to the success of the reform.

Bai Qingcai continued: While formulating this year's targets and specific plans for reform, we should fully consider the factor of what the masses can bear. While carrying out any kind of reform, we should do our best to ensure that the actual living standard of the masses will not drop. Now the problem is that we have not yet done enough to propagate this point. This affects the masses' understanding and support for us. He emphasized: At present, we should, first of all, do propaganda work among the masses, mobilize them, and guide millions upon millions of people to conscientiously participate in reform and become the main elements in it. In the meantime, we should firmly grasp the implementation of our measures. We should promote reform with the spirit of being bold in exploring the way forward. We should not always remain at the level of conducting experiments, or providing what is needed for the operation of certain projects, let alone being irresolute or taking a wait-and-see attitude.

Bai Qingcai pointed out: Without reform, we will be at an impasse. Only by continuing to persist in and deepen reform can we enter a new state filled with enchanting sights of springtime.

Tomur Dawamat on Regional 1992 Seven-Point Plan
*OW0102131992 Urumqi Xinjiang Television Network
in Mandarin 1655 GMT 31 Jan 92*

[From the "Xinjiang News" program]

[Text] The autonomous regional people's government yesterday convened its 15th plenary session to review work carried out in 1991, and to map out comprehensive plans for various tasks and programs in 1992. Autonomous regional Chairman Tomur Dawamat outlined a seven-point plan for tasks to be undertaken by our region in 1992.

Speaking on efforts to strengthen agriculture and rural work, Tomur Dawamat said: Governments at all levels should further improve their understanding of the status of agriculture as the foundation of the national economy, develop an overall concept of agriculture, make agriculture and rural economic development their primary economic tasks, and earnestly implement the decisions of the party Central Committee and the autonomous regional party committee on further strengthening agriculture and rural work. They should also deepen rural

reforms, energetically develop socialized service networks, gradually expand the collective economy, and provide guidance to peasants and herdsmen of all nationalities in achieving common prosperity.

They should actively readjust the internal structure of cultivation, wage activities to promote agriculture through science and technology, enthusiastically develop the secondary and tertiary industries, go all out to build farmland water conservancy projects, continue to develop the local economies of impoverished areas, and consolidate the fruits of the fight against poverty.

Tomur Dawamat remarked: This year, the industrial and transportation sectors should focus on restructuring, on improving the economy, and on reinforcing market concepts. Enterprises and their superior departments must modify their concept of relying on the government to enliven companies to that of invigorating enterprises by exploiting market forces, as a way of encouraging enterprises to conscientiously adjust to the market.

Tomur Dawamat stressed: In opening up to the outside world, our region should foster a concept of promoting new types of business, border trade, and new industries through commercial activities; sharpen modern commodity economic concepts; expedite the process of attracting and using foreign capital and of forging economic and technological cooperation with foreign countries; and enhance lateral economic ties.

Tomur Dawamat said: Leaders at all levels should clearly see the gravity of our financial situation, firmly establish the concept of waging protracted arduous struggles and of practicing self-reliance, vigorously develop production, and improve economic returns. They should further stimulate commodity circulation, practice good management of urban and rural markets, and take good care of the people.

Tomur Dawamat stressed: We should continue to consolidate and develop the socialist inter-ethnic relationship based on equality, mutual assistance, solidarity, cooperation, and common prosperity. We should also promote inter-ethnic solidarity and common prosperity for all nationalities in our region.

On the improvement of government, Tomur Dawamat emphasized: Leaders at all levels should earnestly study the party's line, principles, and policies; gain information on reality by conducting investigations and studies; cut down on rhetoric; and perform more practical deeds. They should redouble efforts to build clean government and play an exemplary role in battling corruption.

Autonomous regional Vice Chairman Wang Lequan presided over the session. Participants in the session included autonomous regional Vice Chairmen Hederbai, Yusufu Muhanmode, Mao Dehua, Keyun (Kai Yun), (Wang Youshan), Abdurehim Litip, and (Ji Qianji); Mahinur Kasim, vice chairman of the autonomous regional people's congress Standing Committee, and

Meihemaiti Simayi, vice chairman of the autonomous regional committee of the Chinese People's Political Consultative Conference.

Song Hanliang Inspects Xinjiang Prefectures

*OW0302044392 Urumqi Xinjiang Television Network
in Mandarin 1655 GMT 2 Feb 92*

[From the "Xinjiang News" program]

[Text] Song Hanliang, secretary of the Xinjiang Autonomous Regional CPC Committee, conducted investigations and studies in Kashi Prefecture and Kizilsu Kirgiz Autonomous Prefecture from 28 January to 2 February to ensure the implementation of work. While there, he and basic-level cadres jointly discussed measures to enrich Xinjiang and to improve work this year.

Like the rest of the autonomous region, Kashi Prefecture and Kizilsu Kirgiz Autonomous Prefecture scored very great achievements in 1991, enjoying political stability, national unity, economic development, and social stability. The situation in the two prefectures was excellent, and the people of all nationalities lived and worked in peace and contentment. Party committees at all levels in the two prefectures have conscientiously implemented the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee, the central working conference, the second enlarged session of the autonomous regional party committee, and the enlarged session of the Standing Committee of the autonomous regional party committee; have held meetings for cadres at various levels; and have set forth measures for invigorating the rural economy by developing the energy, electronic, and machine-building industries, border trade, cotton production, tourism, and construction materials; by training qualified personnel; by developing livestock breeding, horticulture, and mineral production. As soon as the new year began, party committees at all levels lost no time in grasping work in various fields. With a very healthy mental outlook, the people of all nationalities are striving with confidence to do this year's work in a still better way.

Expressing satisfaction with the work of the two prefectures, Comrade Song Hanliang called on leading cadres and leading organs at all levels to take the lead in plucking up spirit, to give free rein to their drive, to quickly change their work style, and to carry out their work in better ways this year. After making a careful investigation and study on how to invigorate the rural economy in an all-around way, Comrade Song Hanliang said: As agriculture is the foundation, agricultural production and nonagricultural production should develop simultaneously. We have laid down a fairly good foundation for farming, but we are still weak in large-scale farming and nonagricultural production. If the rural areas are to achieve the standard of living where people lead fairly comfortable lives, they must, while not giving up agriculture as the foundation, develop to the greatest possible extent second and third industries with village

and town enterprises as the main body, and strive to promote the all-around development of the rural economy. Only thus can peasants' incomes reach a certain level, can collective accumulations in rural areas reach a certain level, and the financial strength of counties reach a certain level. Therefore, second and third industries, with developed village and town enterprises as the main body, are absolutely necessary to achieve a comfortable standard of living and to invigorate the rural economy in an all-around way.

Song Hanliang pointed out: There are many difficulties in developing village and town enterprises. Principal leading cadres at all levels should personally grasp this pioneering work. The greater the difficulties, the more determined they should be in grasping this work to gain the initiative. Otherwise, they will fall behind. If they fail to develop village and town enterprises now, it will be too late for them to regret.

He said: In developing village and town enterprises, it is necessary to rely on science and technology, rely on the masses, trust the masses, and give full play to the peasants' initiative and creativeness. Rushing headlong into mass action should be avoided. It is necessary to proceed from reality, go forward step by step, develop projects one at a time, and make sure every project is successful. The road ahead will be smooth if we can get off to a good start.

Song Hanliang pointed out: This year has presented us with a very good opportunity for expanding border trade. We must seize this opportunity. Kashi Prefecture and Kizilsu Kirgiz Autonomous Prefecture should take advantage of their superiority in geographical position and natural resources, break away from conventional practices, and take the initiative in doing work in this respect. They should foster the idea of doing something first and break the barriers between regions. Border areas have boundaries, but border trade has no boundaries. All can demonstrate their skill in doing border trade work, with which they can push forward the development of the economy in villages and towns.

Comrade Song Hanliang said: While developing the economy, we must pay attention to strengthening national unity, safeguarding stability, and strengthening party building, all of which are very important. Party committees must conscientiously do work in these two aspects well so as provide powerful political, ideological, and organizational guarantees for economic construction, reform, and opening to the outside world.

He said: The people of all nationalities are our flesh-and-blood compatriots. Safeguarding national unity is the legal, moral, social, and noble duty and norm of action of the people of all nationalities. All must raise their understanding in this realm and strive to consolidate national unity. The people of all nationalities should be linked heart to heart, breathing the same air and sharing weal and woe.

He said: Strengthening party building concerns the important matter concerning the life and death of the party. It is necessary to effectively strengthen building leading bodies at all levels and to strengthen building grass-roots party organizations in the fields of politics, ideology, and organization, and work style.

Comrade Song Hanliang pointed out: Great achievements have been made in conducting socialist ideological education in rural areas since the beginning of last winter. The education has promoted implementing policies, improved organizations, and has boosted production. After the Spring Festival, work groups and teams must immediately return to the countryside to discuss

with peasants ways to achieve prosperity in their respective villages and towns. Work groups and teams should examine plans carefully and do this work well from start to finish.

During the course of making investigations and studies, Comrade Song Hanliang delivered a report to cadres at and above the county levels in Kizilsu Kyrgyz Autonomous Prefecture and held discussion meetings with the principal leaders of counties in Kashi Prefecture. He also called on retired veteran cadres in Kashi Prefecture, office cadres of the South Xinjiang Military District, and public security police, armed police, and officers and men of the special police in Kashi Prefecture, extending regards and Spring Festival greetings to them.

Li Xiannian Urges 'Peaceful Reunification'*OW0202034692 Beijing XINHUA in English
0327 GMT 2 Feb 92*

[Text] Beijing, February 2 (XINHUA)—Li Xiannian, chairman of the Chinese People's Political Consultative Conference, expressed his good wishes to compatriots of Taiwan.

In a Spring Festival speech via the "Voice of the Taiwan Strait" in Fujian Province, Li Xiannian greeted the compatriots of Taiwan and hoped that the societies on both sides of the Taiwan Straits will be stable, the economies prosperous and people's lives happy.

Li Xiannian said that in the past year, economic, trade, scientific and cultural exchanges and contacts between the two sides were further developed, demonstrating people's longing for the country's reunification.

After eastern China provinces were hit by the worst flood in a century last year, Taiwan compatriots rushed to donate money and relief materials further displaying the brotherly affection of the compatriots on both sides of the Taiwan Strait and the strong integration of the Chinese nation.

All this has proved that the Chinese nation is an integrated entity and the reunification of the country is an inevitable trend which no powers can obstruct.

A dozen years ago, Li Xiannian said, the Standing Committee of the National People's Congress of the People's Republic of China published guidelines on peaceful reunification of the motherland in the message to compatriots of Taiwan. Soon after that, Deng Xiaoping put forward explicitly the scientific idea of "one country two systems."

Since then, the relations of both sides of the Taiwan Strait have changed greatly and are developing in favor of the country's peaceful reunification. This is the result of concerted efforts by the people on both sides.

According to the guidelines of "one country two systems," Li noted, Hong Kong and Macao will return to the motherland in this century.

He said, "We believe that the Taiwan problem will be resolved peacefully based on this example. We hope that the Taiwan authorities will declare soon to be of one mind with us to realize the reunification of the motherland."

Li Xiannian reiterated China's condemnation of factionalist forces which rely on foreign powers and press for the independence of Taiwan.

He pointed out, "Their perverse movement will be cast aside by the whole people of China and in the end they will lift a rock only to drop it on their own feet. We hope they will realize their errors and mend their ways."

According to the chairman, the Chinese nation has fully experienced foreign insults as well as civil wars. History

tells that the unity of the country and of the nation will be of vital importance to the existence and the development of the Chinese nation.

At present, the international situation is complicated with various contradictions. To become prosperous and powerful and stand independently in the world, the Chinese nation must unite and make concerted efforts to build the country through self-reliance.

Li Xiannian said that the society of the mainland is stable, the economy develops steadily and people live and work in peace and contentment.

RENMIN RIBAO on Cross-Strait Cooperation*OW3101132992 Beijing XINHUA Domestic Service
in Chinese 0946 GMT 31 Jan 92*

["RENMIN RIBAO Carries a Commentator's Article Appealing to the Two Sides of the Taiwan Strait for Joint Efforts in Rejuvenating the Chinese Nation"]

[Text] Beijing, 31 Jan (XINHUA)—RENMIN RIBAO carries a commentator article on 1 February entitled: "Two Sides of the Strait Should Make Joint Efforts To Rejuvenate the Chinese Nation." Following is the full text.

The chirpings of the orioles and swallows herald the coming of a new spring. On the occasion of the arrival of the Year of the Monkey, we wish the Taiwan compatriots on the other side of the Strait a happy family life and a happy spring festival.

Although cross-Strait relations experienced a rough ride last year, relations kept on developing thanks to the joint efforts of the people on both sides of the Strait. All compatriots at home and overseas were pleased with the development.

Since the lifting of the restrictions on family visits four years ago, the condition of separation between the two sides of the Strait—characterized by "both my dreams and weeping were unable to stop the separation; I rush to finish a letter before the ink is properly prepared"—has finally been broken. The contacts and exchanges between the two sides have increased and expanded. The number of people from Taiwan who came to the mainland to visit relatives, or for tourism, or for business purposes totalled nearly one million in 1991. There were also over 23 million pieces of mail exchanged between the two sides last year. The two sides also began talks on substantive matters. Last year, Taiwan's Straits Exchange Foundation dispatched three groups to the mainland. For the first time, Red Cross personnel and news reporters from the mainland visited Taiwan. Last summer mainland was hit by severe floods. Taiwan compatriots enthusiastically donated funds and materials, showing the relationship that blood is thicker than water. The above facts show that last year the two sides achieved major development in the area of exchanges.

The recent establishment of the Association for Relations Across the Taiwan Strait, a mainland civil organization, will surely have a good promotional effect on developing cross-Strait relations, on bringing about direct "three exchanges," and on the early realization of two-way exchange.

Good momentum also showed in economic and trade exchanges between two sides of the Strait. Last year, total economic and trade between the two sides amounted to \$5 billion. Taiwan businessmen continued their investment on the mainland. The development of the mutually-beneficial and mutually-complementary economic and trade relations has served to benefit more and more the economic development of both sides of the Strait. Exchange in the areas of culture, science, technology, and sports had also increased. No one can stop the great tide in the development of relations between the two sides of the Strait. However, there has been a counter current in cross-Strait relations. Last year the "Taiwan independence" forces ran rampant on the island. They not only organized parades and held rallies, but adopted a "Taiwan independence" party platform. They also clamored for the establishment of a "Taiwan Republic." Of course, their acts of splitting the motherland and the Chinese nation will never win the recognition of the majority of the people on Taiwan. The defeat in last year's "National Assembly" elections of candidates who advocated "Taiwan independence" shows that the "Taiwan independence" stand is against the will of the people and was rejected by the majority of the people on Taiwan. It is our hope that advocates of "Taiwan independence" will immediately come to their senses, not miscalculate the people's will, and stop playing with fire. If they stop their splittist activities, mend their ways, and do good things for the development of cross-Strait relations, people will welcome them back.

Looking back, the development of cross-Strait relations last year was not all smooth sailing. The Taiwan authorities still set rules and regulations to restrict the visit to Taiwan by mainland personnel; still refuse "three exchanges"; still only allow "indirect" economic and trade contacts between the two sides; and still have not resolved maritime disputes in the Taiwan Strait in a timely and properly manner. All these caused problems in cross-Strait relations last year.

Accelerating the pace of exchange between the two sides of the Strait and early realization of direct and two-way "three exchanges" are the common and pressing wish of all people on both sides of the Strait, and are also the objective requirements for developing the economy and society on both sides of the Strait. It is hoped that the Taiwan authorities will stress the interests of the Chinese nation, will not use the realization of the "three exchanges" as a political card, will give up the so-called excuse that exchange will endanger "security" within the island, and will do more concrete matters to develop cross-Strait relations.

In order to realize total unification of the motherland, to develop the economy in great international competition, to rejuvenate the Chinese nation, it is necessary for the two sides to eliminate confrontation, bury the hatchet, let bygones be bygones, and cooperate with each other. The Chinese mainland has achieved economic development and social stability in the midst of great international turbulence. "Use peaceful means to change the mainland" is nothing but wishful thinking of a small minority of people. Some of Taiwan's friends said it well: "Only more exchanges will beget more understanding; only more understanding will eliminate hostility and thereby secure more security."

We believe that the tide of exchange and the "three exchanges" between the two sides will keep advancing forward and will surely eliminate all obstacles. In the new year we are willing to make joint efforts with all walks of people on Taiwan. We will strive for early realization of the "three exchanges" and will put more of our hearts and minds into the undertaking of reuniting the motherland and rejuvenating the Chinese nation.

Mainland Group Demands Compensation for Fisherman

OW0102220492 Beijing XINHUA Domestic Service
in Chinese 1146 GMT 1 Feb 92

[Text] Beijing, 1 Feb (XINHUA)—In a letter to Taiwan's Foundation for Exchange Across the Taiwan Strait [SEF], the Association for Relations Across the Taiwan Strait yesterday conveyed to Taiwan the opinions and demands of Fujian fishermen and the family of Fujian fisherman Li Yarong, who was killed in the Taiwan Strait during the 12 January tragic incident in which Taiwan's military wantonly shelled a fishing boat of ours.

The Association for Relations Across the Taiwan Strait says in the letter: On 12 January, four fishermen from Putian County of Fujian Province, including Li Yarong and Lin Xianjing, were fishing on the waters southwest of Wuqiu Island. They were suddenly shelled by the troops on Wuqiu Island, and Li Yarong died of shrapnel wounds. On the pretext that the sea was heavy, the troops on Wuqiu Island refused on 14 January to let the crew members take Li Yarong's body back. They cremated the body and paid the crew members NT\$10,000 [New Taiwan dollars] as compensation.

The Association for Relations Across the Taiwan Strait says in the letter: Since last year, Taiwan's military personnel have wantonly and repeatedly fired at Fujian fishermen. Three successive shooting incidents took place in November and December alone, in which three Fujian fishermen were killed and another was severely wounded. The Li Yarong tragedy happened before the three earlier incidents were properly dealt with. The fishermen in the Fujian coastal region and the victims' families were extremely indignant over Taiwan troops' wanton shooting at innocent people. They strongly demand Taiwan's departments concerned to

immediately stop shooting at Fujian fishermen, maintain a harmonious atmosphere within the Taiwan Strait, protect Fujian fishermen's safety in fishing and navigation, provide compensation for the fishermen's losses as soon as possible, and harshly punish the killers.

At the end of the letter, the Association for Relations Across the Taiwan Strait asks SEF to convey the above demands of the Fujian fishermen to Taiwan authorities, help deal with the Li Yarong incident properly, and obtain compensation for his family as requested.

Vice Minister on Visit to Former Soviet Republics

Denies Russia, Ukraine Arms Deals

OW0102081892 Taipei CNA in English 0751 GMT
1 Feb 92

[Text] Taipei, Feb. 1 (CNA)—Vice Foreign Minister John Chang denied Friday that he had discussed arms deals with Russian and Ukrainian authorities during his just-concluded visits to the two former Soviet republics.

Chang was responding to press reports that he had probed the possibility of purchasing advanced weaponry and military equipment from the Russian Federation and Ukraine during his visits there.

"The reports are sheer speculations," Chang remarked. "I didn't talk about arms deals with any Russian or Ukrainian official," he said.

The vice minister stressed that the government currently has no plans to purchase weapons and military equipment from any of the former Soviet republics.

Asked whether the government might consider arms deals with Russia or other member of the Commonwealth of Independent States in the future, Chang said it would depend on developments in the global strategic situation.

Chang returned to Taipei Friday after a 10-day whirlwind visit to Ukraine, Russia and Latvia.

Trade Office Set Up in Ukraine

OW0102081292 Taipei CNA in English 0748 GMT
1 Feb 92

[Text] Taipei, Feb. 1 (CNA)—The Republic of China [ROC] and Ukraine have signed a trade and economic cooperation agreement, Vice Foreign Minister John Chang reported Friday upon his return from a 10-day visit to several former Soviet republics.

Under the agreement, Chang said, the Republic of China will so set up a commercial office in Kiev to facilitate bilateral exchanges and to promote mutually beneficial economic cooperation.

Chang said Ukraine will allow Taiwan banks to open branches on its territory as part of its efforts to expand bilateral relations. "We'll also permit Ukrainian banks to set up footholds in Taiwan on a reciprocal basis," he added.

The two countries will discuss the feasibility of signing a bilateral investment guarantee agreement in the near future in order to boost commercial exchanges, Chang revealed.

Taiwan has decided to donate 15 million U.S. dollars in medical aid to Ukraine which has submitted a list of pharmaceuticals and other medical supplies it hopes to obtain, Chang said.

The vice minister reported that the Ukrainian government attaches great importance to its relations with Taiwan. A number of Ukrainian officials and parliamentarians have even suggested that Ukraine and Taiwan establish full diplomatic ties, Chang recalled.

During his stay in Moscow, Chang signed an agreement with Russian authorities under which the ROC will donate 100,000 tons of rice in food aid to that country.

Ranking Russian officials, including its trade and agriculture ministers, were present at the signing ceremony, Chang said.

At Russia's request, Chang said, the ROC will ship 50,000 tons of rice to that country's far eastern region and the remaining rice will be sent to its Black Sea region. The ROC will pay all transport costs.

"Our official national name and flag will be printed on the bags of the rice to show our government and people's friendship with the Russians," Chang explained.

During his visit, Chang also met with many ranking Russian officials to discuss ways to promote bilateral ties.

Consular Ties With Latvia Seen

OW0102080692 Taipei CNA in English 0741 GMT
1 Feb 92

[Text] Taipei, Feb. 1 (CNA)—The Republic of China [ROC] will set up a consulate general in Riga, Latvia as soon as possible, Vice Foreign Minister John Chang announced Friday upon his return from a 10-day visit to several major former Soviet republics.

Chang and Latvian Foreign Minister Janis Jurkans issued a joint statement in Riga Jan. 29 declaring that the Republic of China and Latvia will establish "consular-level" relations.

"The decision was made after many rounds of candid, comprehensive consultations between the two countries," Chang recalled.

"We are convinced that the establishment of a consular-level relationship is a good fit for the moment," Chang remarked. "The arrangement is also in the best interests of our two nations," he added.

The Republic of China will soon open a consulate general in Riga to facilitate bilateral exchanges and cooperation in various fields as well as to promote friendship between the two peoples, Chang noted.

Latvia, however, is not expected to send a consul general to Taipei in the near future. Initially, Chang said, Latvia will name an honorary consul to handle consular affairs here.

Chang reported that Latvia attaches great importance to its relations with the ROC and is more than willing to upgrade its ties with Taiwan.

Both the Latvian president and its prime minister fully support the establishment of a "consular-level" relationship between their country and the ROC, Chang stressed.

Although the new Sino-Latvian relationship does not constitute full diplomatic recognition, Chang said, it is of "official" nature.

While insisting on its "one China" policy, Chang said, the ROC government will continue to promote relations with other countries in a pragmatic and realistic manner.

Mainland China recognized Latvia shortly after the Baltic state declared independence from the former Soviet Union last summer. Chang predicted that Peking is likely to sever its ties with Latvia after Riga establishes "consular" relations with Taipei.

Two Shipments of Rice for Russia Planned

OW0202145992 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 1 Feb 92

[From the "National News Hookup" program]

[Text] Our country has tentatively decided to provide assistance to Russia in the form of rice. Two shipments of rice totaling 100,000 tonnes will be delivered. The first shipment of 50,000 tonnes is expected to be delivered to Vladivostok and two other ports in mid-April at the earliest. Domestic vessels flying national flags will sail directly into Russian territorial waters, setting an example for direct Sino-Russian travel services in the future.

Shortly after Vice Foreign Minister Chang Hsiao-yen's recent trip to Moscow to hold personal discussions with Russian officials about the rice aid package, the Ministry of Foreign Affairs yesterday [1 February] convened a meeting of agricultural, government, rice, and transport agencies to coordinate rice shipments to Russia. The meeting decided to ship the first shipment of 50,000 tonnes to the three Russian ports. Of this shipment, 20,000 tonnes and 10,000 tonnes will be delivered to Vladivostok and Nakhodka, respectively, while the remainder will be shipped to Novorossiysk in the Black Sea.

Despite the absence of Sino-Russian travel agreements, domestic vessels flying our national flag will sail directly into Russian territorial waters to deliver the rice shipments. This will be the first direct Sino-Russian voyage in over 40 years. The journey is expected to lay a useful foundation for opening direct travel services between the two sides in the future. Shipping charges will be borne by our side.

Latvia Aid Considered

OW0302111492 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 2 Feb 92

[From the "National News Hookup" program]

[Text] The Ministry of Foreign Affairs indicated: As the serious oil shortage in Latvia has already affected the people's life, our country is considering extending a helping hand to Latvia on our own initiative.

At present, our country's aid to the various republics since the Soviet Union's disintegration includes medical aid worth 12.5 million [no specific monetary units mentioned] to the Ukraine and 100,000 tonnes of raw rice to the Russian Federation. As of now, other than being ready to provide loans from the International Economic Cooperation Fund to Latvia—which has established diplomatic ties at consul general level with our country—we have not promised any economic aid or monetary gift to Latvia because both sides have established diplomatic ties or raised diplomatic ties to a higher level.

Shortly after returning from his visit to Latvia and other countries, Vice Foreign Minister Chang Hsiao-yen said: From the beginning, Latvia has not stretched its hand to our country asking for help. Chang Hsiao-yen said: Latvia is a country with poise. At present, its people are facing difficulties in their lives. Our country are considering to provide aid to Latvia on our own initiative.

Argentine Representative Departs for Taipei

OW3101193392 Taipei CNA in English 1459 GMT 31 Jan 92

[Text] Buenos Aires, Jan. 30 (CNA)—Argentina's newly-appointed representative to the Republic of China [ROC], Amb. Enrique Ros, has left for Taipei to assume his new post as director of the Argentine commercial and cultural office in Taipei.

Accompanied by Mrs. Anna Maria de Lujan, senior adviser to the Foreign Ministry's Department of Asian and Pacific Affairs, Ros left Buenos Aires Wednesday and is expected to arrive in Taipei on Feb. 3.

In an interview with CNA before his departure, Amb. Ros described Argentina's decision to establish the commercial and cultural office in Taiwan as a positive and significant step in improving bilateral relations.

The two countries suspended their diplomatic ties in 1972. In the same year, the Republic of China established a commercial office in Buenos Aires.

In recognition of the Republic of China's growing economic strength, Argentina finally decided to establish a similar office in Taipei to promote commercial and cultural relations with the Republic of China.

The first Argentine representative to the Republic of China in 20 years, Ros said the establishment of the commercial office is the first step which he believes will pave the way for further improvement of relations between the two countries.

President Li Scheduled To Give National Address

OW0302081992 Taipei CNA in English 0759 GMT
3 Feb 92

[Text] Taipei, Feb. 3 (CNA)—President Li Teng-hui will deliver a speech on TV Monday evening at 7 P.M. to wish all Chinese people at home and abroad a happy and prosperous Chinese Lunar New Year.

China ushers in the year 4,689 on Feb. 4. The new year is also the Year of the Monkey.

President Li will deliver a six-minute speech to the citizens of the Republic of China, which will be televised simultaneously by the nation's all three TV stations.

He will also make a two-minute speech to overseas Chinese in various parts of the world to extend his best wishes. The speech will be transmitted to North America by Chinese Television Service (CTS), a satellite.

In the speech to the people in Taiwan, President Li will recount the reasons for the phenomenal achievements the Republic of China has made and encourage them to work more diligently and to make more contribution to national reconstruction.

President Li will also reaffirm the government's determination to reform the constitution and promote democracy in the new year. The speech will be delivered in Mandarin, Taiwanese, and Hakkanese.

In his speech to overseas Chinese, the president will also reaffirm the government's love and care for them.

Visits Kinmen

OW0302081892 Taipei CNA in English 0752 GMT
3 Feb 92

[Text] Taipei, Feb. 3 (CNA)—President Li Teng-hui visited Kinmen last Saturday to wish the troops and civilians on the offshore island a very happy and prosperous Chinese Lunar New Year.

He said in a luncheon with military officers there that the disintegration of communist regimes in Eastern Europe has proved that communism is a dead end, and that the late President Chiang Ching-kuo was right when he said that communist regimes would be destroyed by themselves.

The fate of the Chinese communist regime, which still sticks to socialism, is quite clear, he added.

The president was enthusiastically welcomed by both the military and civilians everywhere he went on the island. He was accompanied during the trip by Chief of the General Staff Liu Ho-chien and other top military leaders.

Audit Ministry Notes Flaws in 1991 Defense Budget

OW0102100792 Taipei CHINA POST in English
29 Jan 92 p 12

[Text] The Ministry of Audit yesterday listed 10 major defects for improvement after examining how the Ministry of National Defense used its Nat. 9 billion budget last year [sentence as received].

This rare revelation of the Defense Ministry's weakness is considered a major breakthrough in "putting budget spending into the sunlight." The ministry has often been accused of "operating in a black box."

The Audit Ministry, a part of the Control Yuan, the highest watchdog body here, said the Defense Ministry had lagged far behind its work schedule last year. It said only 42 percent of its 63 planned programs had been completed.

The Audit Ministry said the Defense Ministry's scientific management and administrative effectiveness left much room for improvement.

Local citizens paid an average of NT [New Taiwan] \$12,600 for national defense expenditures last year, according to the Audit Ministry's red-paper report.

Among the defects cited by the Audit Ministry were a failure to execute planned programs on schedule. Delays had led to a yearly surplus of NT\$24.8 billion yet to be spent.

The Audit Ministry also reported that military auditors did poor jobs because of management negligence, and some revenue surpluses were not handed over to the National Treasury.

The report also noted that the budgeting process from different military units did not follow regulations and property was improperly managed and utilized.

It said that credit inspections were not carried out in advance on firms bidding for military construction and procurement projects.

Furthermore, military authorities also failed to collect debts or receive deliveries of military products on time, and descriptions of military maintenance were not always accurate, the report said.

The military arsenal also failed the inspection because production units, which it supervises, failed to take delivery of 522 items worth over NT\$33.15 billion on time.

In related news, the long-awaited manufacturing of high-Defense Fighter (IDF) will be postponed for two more years to 1997. The delay was ordered because engine parts and firing control systems on the plane still cannot be produced locally.

Moreover, the raw materials needed to produce the fighter remain subject to export licenses issued by foreign countries.

The Defense Ministry expects to produce 250 IDFs by 1997.

Meanwhile, a U.S. congressman recently revealed a Bush administration report describing arms purchases by the Republic of China [ROC]. The report said the ROC

purchased US\$1.598 billion worth of military equipment from the United States in the fiscal year that ended on Sept. 30 last year.

Hong Kong

Legislators Criticize China's Advisory Panel Plan

HK0302055892 Hong Kong SOUTH CHINA
MORNING POST in English 3 Feb 92 p 3

[By Kent Chen and Chris Yeung]

[Text] China's plan to appoint some 40 Hong Kong people as advisers on the territory's affairs in the run-up to 1997 was yesterday attacked by two liberal legislators as being divisive.

Elected legislative councillors Miss Emily Lau Wai-hing and Mr James To Kun-sun said the group might evolve into a second nucleus of power.

Speaking at a City Forum, Miss Lau said she suspected the motive behind the Chinese plan was to groom a group of people to counter the influence of directly elected legislators and Hong Kong authorities.

Mr To, a member of the United Democrats, admitted the need for better Sino-Hong Kong dialogue, but was against the establishment of another consultation mechanism on top of existing ones.

"If those defeated in the elections are appointed as advisers while the elected representatives are given a deaf ear, the electors would be very disappointed," he said.

But a local delegate to the Chinese National People's Congress (NPC), Mr Ng Hong-mun, said he doubted the advisers would become a nucleus of power.

"Even though the National People's Congress is officially the highest power organ in China, any person who has insight into Chinese politics knows that this is not the case," he said. "And the advisers will certainly not become a power organ."

Mr Ng said some of the criticism was prompted by jealousy.

A likely appointee, Mr Cheng Kai-nam, said the advisers should be open-minded in reflecting opinions.

"They should bear in mind that they speak for Hong Kong people, not for Beijing," he said.

Mr Cheng, a leader of the left-wing Federation of Education Workers, also said the advisers should only comment on transitional matters, not on strictly Hong Kong affairs, to avoid challenging the role of legislators.

A senior Beijing official cited the performance of the Sino-British Joint Liaison Group (JLG) in an effort to dismiss fears that a group of Hong Kong advisers to be named by China would become "the second power centre".

Mr Chen Ziyang, a deputy director of the State Council's Hong Kong and Macao Affairs Office, said: "Some people have said it (the appointees panel) will create a second nucleus of power. This is impossible.

"There was also such worry when the JLG was set up. But after seven years of operation everybody knows clearly how it works. The advisers are not even official representatives (of Beijing)."

A local NPC member, Miss Liu Yiu-chu, said the appointment of advisers would be beneficial to the theory of Hong Kong people ruling Hong Kong after 1997.

Miss Liu said by listening to the views of professionals in Hong Kong, China would have a better idea about different aspects of Hong Kong.

Mr Chen said his office was organising an event this April to mark the second anniversary of the approval of the Basic Law.

Visit by Zhao's Daughter Said 'Positive Sign'

HK0302064392 Hong Kong THE STANDARD
in English 3 Feb 92 p A-1

[By Cary Huang and Cheung Po-ling]

[Text] The daughter of disgraced Chinese Communist Party chief Zhao Ziyang believes her business trip to Hong Kong is a positive sign her father will receive leniency.

The visit, coupled with the fact that the father and the hotelier daughter had lunch in a Beijing hotel recently, was an indication Mr Zhao's worst ordeal might be over, Chinese analysts said yesterday.

Sheraton Great Wall Hotel deputy general manager Wang Yannan, who was due to return to Beijing today, was in Hong Kong for more than a week to attend a training seminar by the hotel group.

The Hong Kong visit was Ms Wang's first overseas trip since the 4 June 1989 crackdown that led to her father's downfall. According to sources close to the Zhao family, when asked to comment on her trip, Ms Wang said: "I am here means I am all right."

It was believed that an unwritten understanding had been reached between Ms Wang and the Chinese departments concerned she should keep a low profile while in Hong Kong. [sentence as published]

On 7 June 1989, Ms Wang had scheduled to leave Beijing for a business trip to Hong Kong, but the trip was cancelled due to her father's political trouble.

Ms Wang's visit to Hong Kong was due to expire today and was expected to return to Beijing for the Lunar New Year.

Earlier this month, the ousted party boss was said to have been found guilty of a lesser crime of "violating the party's internal discipline", but cleared of charges of "splitting the party" and "supporting rebellion".

Zhou Nan Says Reform To Intensify in New Year*HK0302103692 Hong Kong SOUTH CHINA MORNING POST in English 3 Feb 92 p 2*

[By Chris Yeung]

[Text] China's top envoy in Hong Kong has said the territory will be full of new opportunities in the Year of the Monkey, as the mainland intensifies its reform policy and moves towards greater stability.

Mr Zhou Nan, director of the local branch of the New China News Agency (NCNA), said he was confident that Hong Kong people would be able to give full play to their superiority, grasp opportunities and attain outstanding results.

Mr Zhou was delivering his New Year message through both local television stations yesterday.

He said Hong Kong had experienced challenges in the past year, but it had survived.

Despite the economic depression in Western countries, he said, the territory had been able to preserve its prosperity and stability.

He also applauded the patriotism and "cohesiveness" of the people of Hong Kong towards China during the flood disaster last summer.

"The past year is also an unusual year for China," said Mr Zhou, citing the rapid changes in other parts of the world and the floods.

Thanks to the insistence on the road of socialism with Chinese characteristics, he said, the people had attained political stability, economic growth and racial unity.

"We attained a good situation generally recognised in the world."

Looking ahead, Mr Zhou said the situation in China would become more stable.

"Reforms will go deeper and our doors will be open wider. We will make greater achievements in economic construction. All these provide new opportunities for the further development of Hong Kong.

"I'm convinced that Hong Kong compatriots will give full play to their superiority, grasp the opportunity and achieve excellent results...to make new contributions to the territory's prosperity and stability and the modernisation programme of the motherland," said Mr Zhou.

Agreements Signed With Guangzhou Province**Zhujiang Power Plant***HK0202021092 Beijing CHINA DAILY in English 1 Feb 92 p 2*

[By staff reporter Zheng Caixiong: "Power Plant To Fuel Guangzhou Supply"]

[Text] Guangzhou—Guangzhou Economic Construction Development Company and New World Development Co Ltd of Hong Kong signed an agreement here yesterday for the joint management and construction of the Guangzhou Zhujiang Power Plant.

The two sides will form the Zhujiang Power Corporation Ltd to tighten up management of the power plant and speed up its construction.

The completion of the power plant will, in some ways, help ease the southern Chinese province's power shortage problems, an official from the Guangzhou Economic Construction Development Company said.

Located in the Nansha Economic Development Zone in Panyu County at the mouth of the Pearl River, the construction of the thermal power plant cost over 1 billion yuan (\$185.9 million). The two sides each hold an equity interest of 50 percent.

The annual generation capacity of the power plant is expected to reach 3.3 billion kilowatt hours. And three billion kilowatt hours will be supplied to the provincial power network when the second phase of the construction is completed in late 1993. The first phase of the power plant construction started in May 1991.

The power plant will use domestic engines, importing the automatic system from the United States and some equipment from Germany.

Approved by the State Council in 1987, the Zhujiang Power Plant is one of the State's key power projects during the Eighth Five-year Plan (1991-95).

Water Quality Memorandum*OW0102121192 Beijing XINHUA in English 1018 GMT 1 Feb 92*

[Text] Hong Kong, February 1 (XINHUA)—An agreement on water quality and flow survey was signed here today between Hong Kong and neighboring Guangdong Province.

A delegation from Guangdong visited the territory this week to discuss arrangements for marine and geological survey as part of the regular bilateral liaison on sewage disposal scheme.

The survey will be part of the on-going data gathering to develop computer models for assessing effects on marine waters of discharges of effluents.

This is an essential part of the strategic disposal scheme which is proceeding as planned and will soon proceed to the design of the initial Kowloon section.

Survey has been proceeding within Hong Kong waters for the past 18 months and the new survey will complement this data. A corresponding geological site investigation is also being carried out.

Airport Authority Appoints Financial Adviser

OW0102113092 Beijing XINHUA in English
1015 GMT 1 Feb 92

[Text] Hong Kong, February 1 (XINHUA)—The Provisional Airport Authority (PAA) of Hong Kong has appointed J.P. Morgan as its financial adviser.

This was announced in a press release by the PAA today.

The firm will provide the authority with advice on key aspects of its financial operations, the press release said.

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